



ANNUAL REPORT
2022-2023

Table of Contents

1. Letter from the Board of Directors
2. Affidavit of Notice of Annual Meeting
3. Minutes of April 2022 Annual Meeting
4. Financial Report from most recent Audit Report (June 2022)
5. March financial information (most recent financial report)
6. Financial details on Reserve Accounts and Insurance Coverage
7. Standing Committee Reports
 - Building and Grounds
 - Cooperative Living
 - Finance
 - Marketing
 - Policy and Procedures
8. Property Management Report
9. Prosody to Zvago

Notice of Annual Members' Meeting

Zvago St. Anthony Park

2265 Luther Place
St. Paul, MN 55108

Wednesday, April 26

Following April Board Meeting

Estimated start time 5pm

The Park

In person and by Zoom Link

Affidavit of Notice of Annual Meeting

Marianne Schwalen, secretary of Zvago St. Anthony Park, being first duly sworn on oath that says that on April 11, 2023 served the attached Notice of Meeting by placing a true and correct copy thereof in an envelope and delivering the same to each member's box in the Huddle.

A handwritten signature in cursive script that reads "Marianne Schwalen". The signature is written in black ink and is positioned above a horizontal line.

Secretary
Board of Directors
Zvago St. Anthony Park

April 2023

Dear Members of Zvago St. Anthony Park,

The achievements of the past year could not have been accomplished without the numerous contributions made by volunteer members, the lifeblood of the community. These volunteers have served each other and the community with time, energy, expertise and creativity.

The Annual Report includes reports from each of the five standing committees. The content of their reports clearly captures the dedicated involvement of numerous community members and the wide range of activities and projects they have offered and led. Zvago continues to be a community where the journey is lively and the members are committed and talented.

The following summarizes some of the Board's efforts over the past twelve months:

- Completed mortgage refinancing, which included the unanimous approval of revised Bylaws;
- Distributed updated legal documents to members;
- Established a Supplemental Reserve savings account;
- Invested a portion of the Supplement Reserve fund into laddered CDs and government I-Bonds to obtain higher interest rates;
- Refined the standing committee structure, which included the approval of the charters for each standing committee;
- Approved an effective Replacement and Refurbishment (R&R) Policy after many months of careful development of guidelines by the R&R committee;

- Elevated the Procedures and Policy ad hoc committee to a standing committee, replacing the standing R&R committee after their completion of recommended policies;
- Approved many policy recommendations from each of the five standing committees, as well as the ad hoc Safety and Security committee, consisting of members from Policy and Procedures and Building and Grounds;
- Provided all members with an electronic packet of information in advance of the monthly meeting Board of Directors that contained all information relevant to decisions to be voted upon;
- Altered the format of monthly meetings of the Board of Directors to include 10 minute open sessions at the beginning and end of the meetings to encourage member responses;
- Recruited multiple members to stand for election to the Board in order to provide a choice among candidates; and,
- Initiated a proportional voting procedure when there are more candidates than openings.

The Board of Directors continues to be committed to creating opportunities to strengthen the community by supporting efforts to improve transparency, enhance communication, clarify policies, recognize resident creativity and strengthen the financial well being of the cooperative.

We look confidently to the future.

Respectfully,

2022-23 Board of Directors

Claudia Parliament, President

Pat Steeber, Vice President

Marianne Schwalen, Secretary

Terry Banovetz-Gerst, Co-Treasurer

Chip Treen, Co-Treasurer

2021-22 Annual Meeting of Members Minutes

Thursday, April 28, 2022, 4:30 p.m. on Zoom

Pat Steeber called the meeting to order.

Quorum was determined.

Approved minutes of 4-28-2021 annual meeting. Dennis Christ motioned.
Alan Holt seconded.

Announcement of newly elected Board members: Terri Banovetz-Gerst and Marianne Schwalen.

Bob Kessler and Sonya acknowledged their retirement.

Karen Helland presented a sumptuous Shout-Out to them.

Pat Steeber thanked them for all their help along the way.

Flowers were presented to both of them in the Huddle. We all watched on zoom.

Gregg Dana, chair of the Cooperative Living Committee, spoke to introduce the fact that the CLC chair will take on the responsibility of leading "special" meetings that are called in the community, or any business that needs attention at an annual meeting that the Board deems appropriate to be led by the CLC rather than the Board. He pointed out that a community meeting may be called if petitioned by 20% of the residents.

Motion to adjourn the Annual Meeting made by Mark Nygard, seconded by Sandra Anderson. Meeting adjourned.

Minutes taken by Sue Conner at the request of Gregg Dana

ZVAGO ST. ANTHONY PARK
Balance_Sheet
As of March, 31, 2023

	<u>March 2023</u>	<u>June 2022</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$159,099	\$101,399
Other Receivables	-	407
Prepaid Expenses	31,853	133,228
Total Current Assets	<u>190,952</u>	<u>235,034</u>
Assets Limited As To Use		
Member Funds	33,245	32,931
Loan Restricted Escrow Funds	519,828	366,586
Board Discretionary Funds	92,046	24,000
Total Assets Limited As To Use	<u>645,120</u>	<u>423,517</u>
Other Assets		
Notes Receivable	1,324	-
Total Other Assets	<u>1,324</u>	<u>-</u>
Property, Plant & Equipment		
Property, Plant, Equipment	18,784,614	18,784,614
Less: Accumulated Depreciation	(2,124,806)	(1,734,069)
Net Book Value of Property	<u>16,659,808</u>	<u>17,050,545</u>
TOTAL ASSETS	<u><u>\$17,497,205</u></u>	<u><u>\$17,709,095</u></u>

ZVAGO ST. ANTHONY PARK
Balance Sheet
As of March, 31, 2023

	<u>March</u> 2023	<u>June</u> 2022
LIABILITIES		
Current Liabilities		
Accounts Payable	\$25,573	\$34,599
Accrued Payroll & Related	7,584	2,641
Accrued Escrow Liabilities	32,015	31,415
Property Tax Payable	60,219	-
Interest Payable	31,347	-
Current Maturities of Long-Term Debt	136,377	122,041
Total Current Liabilities	<u>293,115</u>	<u>190,696</u>
 Long-Term Debt		
Notes Payable	10,825,078	10,925,835
Total Long-Term Debt	<u>10,825,078</u>	<u>10,925,835</u>
 TOTAL LIABILITIES	 <u>11,118,192</u>	 <u>11,116,531</u>
 EQUITY		
Net Income	(213,552)	(1,042,122)
Additional Paid-In Capital - Common	8,789,908	8,789,908
Retained Earnings	(2,197,344)	(1,155,221)
NET EQUITY (DEFICIT)	<u>6,379,012</u>	<u>6,592,564</u>
 TOTAL LIABILITIES & EQUITY	 <u><u>\$17,497,205</u></u>	 <u><u>\$17,709,095</u></u>

ZVAGO COOPERATIVE AT ST. ANTHONY PARK
 FHA PROJECT NO. 092-23294
 STATEMENTS OF FINANCIAL POSITION
 June 30, 2022 and 2021

ASSETS

	2022	2021
Current Assets		
Cash	\$ 125,399	\$ 132,884
Member accounts receivable	407	-
Prepaid expenses	133,229	74,504
Total Current Assets	259,035	207,388
Property and Equipment		
Land and improvements	1,010,257	1,010,257
Building and improvements	17,506,250	17,489,773
Equipment and furnishings	268,107	268,107
	18,784,614	18,768,137
Less: Accumulated depreciation	(1,734,069)	(1,213,704)
Total Property and Equipment	17,050,545	17,554,433
Restricted Assets and Deposits		
Mortgage escrows	88,799	61,973
Replacement reserve	206,406	139,429
General operating reserve	71,381	75,961
Wait list deposits	32,931	31,204
Total Restricted Assets and Deposits	399,517	308,567
TOTAL ASSETS	\$ 17,709,097	\$ 18,070,388

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 37,240	\$ 18,315
Accrued interest	-	33,850
Wait list deposits	32,615	28,400
Current portion of mortgage payable	122,041	133,102
Total Current Liabilities	191,896	213,667
Long-Term Liability		
Mortgage payable (less current portion)	11,030,059	10,757,125
Less: Unamortized debt issuance costs	(104,224)	(533,892)
Total Long-Term Liability	10,925,835	10,223,233
Net Assets		
Without donor restrictions	6,591,366	7,633,488
Total Net Assets	6,591,366	7,633,488
TOTAL LIABILITIES AND NET ASSETS	\$ 17,709,097	\$ 18,070,388

See accompanying notes to the financial statements.

ZVAGO COOPERATIVE AT ST. ANTHONY PARK
 FHA PROJECT NO. 092-23294
 STATEMENTS OF ACTIVITIES
 For The Years Ended June 30, 2022 and 2021

	2022	2021
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
REVENUES		
Rent	\$ 1,204,486	\$ 1,199,794
Financial	424	294
Other	20,950	1,250
TOTAL REVENUES	1,225,860	1,201,338
EXPENSES		
Program Services		
Utilities	43,018	37,516
Supplies	3,372	9,957
Contracts	24,706	19,520
Garbage and trash removal	8,888	7,309
Snow removal	3,580	2,250
Grounds maintenance	7,039	12,697
Repairs and maintenance	33,559	42,008
Elevator maintenance	881	-
Real estate taxes	229,799	204,109
Insurance	10,745	19,354
Interest	428,337	422,493
Mortgage insurance premium	74,002	76,645
Loss on extinguishment	722,423	-
Depreciation	520,365	520,159
Total Program Services	2,110,714	1,374,017
Management and General		
Advertising	1,344	-
Office - salaries	66,829	49,234
Office - other	18,087	18,700
Management fee	17,983	17,640
Legal	98	1,100
Auditing	4,100	6,000
Accounting	2,150	-
Telephone	31,718	29,531
Other administrative	14,959	3,389
Total Management and General	157,268	125,594
TOTAL EXPENSES	2,267,982	1,499,611
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(1,042,122)	(298,273)
CHANGE IN TOTAL NET ASSETS	(1,042,122)	(298,273)
NET ASSETS AT BEGINNING OF YEAR	7,633,488	7,931,761
NET ASSETS AT END OF YEAR	\$ 6,591,366	\$ 7,633,488

See accompanying notes to the financial statements.

ZVAGO COOPERATIVE AT ST. ANTHONY PARK
FHA PROJECT NO. 092-23294
STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from:		
Rental receipts	\$ 1,204,079	\$ 1,197,696
Investment income	424	294
Other receipts	20,950	1,250
	1,225,453	1,199,240
Cash Expended for:		
Administrative	124,613	92,811
Management fee	17,983	17,640
Utilities	43,018	37,516
Operating and maintenance	64,414	98,276
Real estate taxes	229,799	204,109
Property and liability insurance	11,462	8,952
Miscellaneous taxes and insurance	14,672	15,143
Wait list deposits received	(4,215)	(3,000)
Interest on mortgage	447,914	408,811
Mortgage insurance	130,696	75,808
	1,080,356	956,066
Net Cash Provided By Operating Activities	145,097	243,174
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for equipment	(16,477)	-
Net Cash Used In Investing Activities	(16,477)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on mortgage payable	(133,102)	(128,236)
Proceeds from refinance	126,198	-
Cash paid for mortgage refinance	(38,251)	-
Net Cash Used In Financing Activities	(45,155)	(128,236)
INCREASE IN CASH, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS	83,465	114,938
CASH, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS AT BEGINNING OF YEAR	441,451	326,513
CASH, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS AT END OF YEAR	\$ 524,916	\$ 441,451
RECONCILIATION OF CASH, RESTRICTED CASH, AND RESTRICTED CASH EQUIVALENTS		
Cash	\$ 125,399	\$ 132,884
Restricted assets and deposits	399,517	308,567
Total Cash, Restricted Cash, and Restricted Cash Equivalents	\$ 524,916	\$ 441,451

See accompanying notes to the financial statements.

ZVAGO ST. ANTHONY PARK
Actual vs. Budget Income Statement
For the Nine Months Ending March, 31, 2023

	March			YTD			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
OPERATING REVENUE							
Housing Revenue	\$99,723	\$99,737	(\$15)	\$897,503	\$897,635	(\$132)	\$1,196,846
Other Rental	2,800	2,625	175	25,200	23,625	1,575	31,500
Fees & Charges	350	550	(200)	4,191	4,950	(759)	6,600
Other Miscellaneous	79	650	(571)	6,280	5,850	430	7,800
TOTAL OPERATING REVENUES	102,952	103,562	(610)	933,174	932,060	1,114	1,242,746
OPERATING EXPENSES							
Housekeeping & Laundry	1,239	1,317	78	10,393	11,850	1,457	15,800
Maintenance	4,127	6,291	2,165	58,422	53,622	(4,801)	70,996
Marketing	311	167	(145)	1,661	1,500	(161)	2,000
Administration	2,505	2,578	73	26,701	30,049	3,348	37,782
Taxes and Insurance	27,511	26,074	(1,436)	229,229	234,669	5,440	312,892
Utilities	5,964	6,533	569	65,675	61,567	(4,109)	80,500
Employee Salaries, Taxes & Benefits	9,648	8,199	(1,449)	76,232	73,793	(2,440)	98,391
TOTAL OPERATING EXPENSES	51,305	51,159	(145)	468,314	467,049	(1,265)	618,360
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBIDTA)	51,647	52,403	(756)	464,860	465,010	(151)	624,386
NON-OPERATING INCOME							
Interest Revenue	728	-	728	1,939	-	1,939	-
Other Non-Op Revenue	449	-	449	3,907	-	3,907	-
TOTAL NON-OPERATING INCOME	1,178	-	1,178	5,846	-	5,846	-
NON-OPERATING EXPENSES							
Interest Expense	31,347	31,347	-	283,255	283,255	-	377,107
Depreciation & Amortization	43,633	44,055	422	392,695	396,494	3,799	528,658
Other Non-Op Expense	2,317	-	(2,317)	8,308	-	(8,308)	-
TOTAL NON-OPERATING EXPENSE	77,297	75,402	(1,895)	684,258	679,749	(4,509)	905,765
NET INCOME (LOSS)	(24,472)	(22,999)	(1,473)	(213,552)	(214,739)	1,186	(281,379)

Judgments, Capital Expenditures, Unpaid Assessments, Reserves and Insurance

Pending Suits or Judgments

Currently there are no pending suits or judgments.

Capital Expenditures

There are no planned capital expenditures in excess of two percent of the current budget or five thousand dollars (\$5000) whichever is greater approved by the Board for the current fiscal year or the succeeding two (2) years.

Unpaid Assessments

There are no unpaid assessments

Required Reserve Accounts

The balances at the end of March 2023:

General Operating Reserves	\$ 99,369
Replacement Reserves	\$251,173

Supplemental Reserve

The Board approved depositing \$24,000 into a Supplemental Reserve fund located at Sunrise Bank in fiscal year 2021-22. The Board also approved moving the \$68,000 generated by mortgage refinancing into this Supplemental Reserve fund.

The Board approved investing part of the Supplemental Reserve fund.

- Two government I-Bonds at \$10,000 each were purchased, one in December 2022 and one in January 2023.
- Supplemental Reserve funds were invested in laddered Certificates of Deposit with Fidelity Investments, Original Fidelity investment was \$65,962.78. The Fidelity account balance was \$66,336.86 at the end of March 2023.

Of the \$92,000 deposited in the Supplemental Reserves to date, \$6,046.43 is in a savings account at the end of March 2023, the balance of \$85,962.78 has been invested.

Insurance

Insurance for *Zvago* St. Anthony Park is provided by American Family Insurance and Community Association Insurance Solutions (CAIS).
Contracts cover 1/18/23 – 1/18/24

Business Owner Policy

Liability Limit per Occurrence/Aggregate Limit	\$2,000,000/\$4,000,000
Deductible	\$5,000
Crime and Fidelity	\$300,000
Deductible	\$1,000
Computer Fraud	\$100,000

Building Coverage

Limit (Guaranteed Replacement Value)	\$18,150,000
Business Personal Property	\$308,100
Water/Sewer Back-Up	\$250,000
Valuable papers on premises	\$50,000
Account Receivable on premises	\$50,000
Deductible	\$5,000

Ordinary Payroll Expense	Extended to 60 days
Extended Business Income	Extended to 60 days

Commercial Liability Umbrella

Aggregate Limit	\$3,000,000
Each Occurrence Limit	\$3,000,000
Personal Advertising Injury Limit	\$3,000,000
Self-Insured Retention (Each Occurrence)	\$10,000

Directors & Officers Liability

Limit Per Occurrence/Aggregate Limit	\$1,000,000/\$1,000,000
Deductible	\$1,000

Workers Compensation Liability Coverage

Each Accident	\$100,000
Disease Limit Policy	\$500,000
Disease Limit for Each Employee	\$100,000

Insurance policies are available in the Property Manager's Office.

Zvago St. Anthony Park

DESIGNATED ASSETS

March 31, 2023

<u>Bank</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Rate</u>	<u>Amount</u>
<u>Mortgage Escrow</u>				
<i>This is the amount required by the mortgage company to be deposited for Mortgage Insurance, Property Insurance and Real Estate Taxes. It is not the amount that is expensed in your profit and loss statement. The mortgage company periodically analyzes and adjust these amounts.</i>				
<u>Dwight Capital Mortgage</u>				
MIP Escrow				36,481
Insurance Escrow				5,169
Property Tax Escrow				127,637
			<i>Total Escrow:</i>	169,286
<u>Replacement Reserve</u>				
<i>Deposits into this account are setup by HUD & are made through your monthly mortgage payment. You need HUD's approval to release funds from this account. The deposit is set at the time of financing or refinancing.</i>				
<u>Dwight Capital Mortgage</u>				
Mortgage R&R Escrow				251,173
			<i>Total Replacement Reserve:</i>	251,173
<u>General Operating Reserve</u>				
<i>HUD Mortgaged Cooperatives must establish and maintain a general operating reserve by allocation and payment of monthly deposits of not less than 3% of the monthly charges to members are required. Upon reaching a balance of an amount equal to 15% of the current annual charges to members, the monthly deposit may be reduced from 3% to 2% provided the total of the operating reserve does not fall below 15% of annual charges. Upon the operating reserve reaching 25% of the annual charges, deposits into the reserve may be discontinued so long as the 25% level is maintained. If the level falls below 25% monthly deposits of 3% of monthly charges shall commence until the 25% level is restored.</i>				
	<i>Percent Currently Funded</i>	<i>8.54%</i>		
<u>Sunrise Bank</u>				
Savings *7279				99,369
			<i>Total General Operating Reserve:</i>	99,369
<u>Supplemental</u>				
<i>This is an extra reserve that is set up by the cooperative and is used at your discretion.</i>				
<u>Sunrise Bank</u>				
Savings *1347				6,046
Series I Savings Bond	10/31/22	04/30/23	9.62%	10,000
Series I Savings Bond	01/12/23	07/12/23	9.62%	10,000
<u>Fidelity Investments</u>				
Hapoalim CD	01/19/23	07/19/24	4.60%	16,000
Santander- CD	01/19/23	01/21/05	4.65%	16,000
UBS Bank - CD	01/20/23	01/19/24	4.50%	16,000
Western Alliance CD	01/20/23	07/20/23	4.50%	18,000
			<i>Total Supplemental Reserve:</i>	92,046
<u>Wait List Deposits</u>				
<i>This must be greater than or equal to your wait list liability.</i>				
<u>Sunrise Bank</u>				
Savings *7288				33,245
				33,245
			<i>Total Designated Funds:</i>	645,120

Building and Grounds Committee

Overview:

This report summarizes the accomplishments of the Building and Grounds Committee and its component service groups during the period of July 1, 2022, through March 24, 2023 and anticipated accomplishments through the end of the current fiscal year on June 30, 2023. Most of this work is carried out by Service Groups; the Committee helps to coordinate among Service Groups and carries recommendations to the Board for discussion and approval as necessary. We updated our committee charter to clarify these roles and responsibilities and streamlined the committee where possible by merging closely-linked service groups (e.g., the former Garage and Makerspace, Fitness, and Safety service groups were merged into the Building Service Group, reducing the number of service group meetings and fostering coordination.) Current committee members are Michael Russelle (co-chair) and Alan Holt (co-chair and Landscape rep), Bob Kessler (Building Service Group rep), Bill Lorimer (Energy rep), Chip Treen (Tech rep), Roger Eggen (Alternate Tech rep), Karen Helland (Common Spaces rep), Laura Baker (at large), and Pat Steeber (Board liaison).

The committee and the Policy and Procedures ad hoc group teamed up on a special assignment from the Board to review and recommend changes in the cooperative's policies and procedures regarding building entry. Lois Poser, Alan Holt, Gwen Kessler, Billie Gaenzle, Ginner Ruddy, and Ann Wynia worked together to complete this task by January 2023. The revised policy and procedures have been adopted for inclusion in the members' handbook.

Service Group Highlights:

Common Spaces

Karen Helland (chair), Ted Bowman, Dennis Christ, Mary Ann Nord, Charlotte Osborn, Sonya Steven

- The Artists in Residence program exhibitors this year have included a solo show of Sandy Anderson's watercolors and a multi-media group show including 17 member artists. Roger Eggen will exhibit his

woodwork in May. The Art Interest Group hosted two well attended receptions. The Board approved the continuation of this program indefinitely.

- We launched PERSPECTIVES, a trial exhibition of art owned by members, through December 2023, at which time it will be evaluated for continuation. So far, Claudia Parliament, John Welckle and Karen Helland have exhibited pieces from their collections.
- After a long trial period, the Board approved Lights On!, a plan to leave selected common area lights on during the day to brighten our shared home.
- In collaboration with the Building Service Group concerning sound mitigation in common spaces, fiber art pieces by members Becky Steeber and Gwen Kessler were hung in the Huddle. We continue to work together to improve acoustics in common spaces.
- We received confirmation from the St. Paul Fire Department that the fire code for multi-family dwellings allows the display of art in hallways. This possibility will be examined in the next fiscal year.
- We organized seasonal decorations and coordinated the Fresh Flowers Project for our common areas.

Energy

Bill Lorimer and Mark Nygard (co-chairs), Gregg Dana, Bob Kessler, Glenn Poser, Ginner Ruddy, Michael Russelle, Pat Steeber, Chip Treen

- Investigated a possible car-share program with HourCar and Luther Seminary, including a presentation to Zvago residents. Rejected this idea when we learned the costs would be too high.
- Added two more resident units (for a total of three) now offsetting their electricity consumption with renewable solar electricity from Cooperative Energy Futures community solar gardens.
- Collected data regularly from the Emporia Vue electric power monitoring system, which is installed in the four electrical panels for the co-op's common spaces. Plan to present a summary of findings to the membership this spring.
- Removed and sold (\$1790.82 so far) inappropriate ChargePoint electric vehicle chargers and installed two efficient, inexpensive, and top-rated Emporia EV chargers that work with the Emporia Vue monitoring system. Submitted monthly usage and payments to the co-op.
- Determined the need for hallway lamp replacements and upgrades.

- Updated and submitted our electricity, natural gas, and water usage in the ENERGY STAR Portfolio Manager, as required by Saint Paul's Efficient Buildings Collaborative.

Building

Bob Kessler (chair), Laura Baker, Peter Fischer, Gary Gerst, Jerome Kylo, Mark Larson, Bill Lorimer, Glenn Poser, Lola Ruff, Michael Russelle, Pat Steeber, Chip Treen

- Returned an order of new trash and recycling chute doors to the manufacturer after learning that simply changing the closers and handles would meet ADA compliance.
- Surveyed the membership and developed list of units to which door and window screens belong that are currently in storage.
- Coordinated with Luther Seminary to share expenses and schedule the filling and sealing of large cracks in the asphalt parking lot. Caulked sidewalk/curb cracks and ground down raised areas of the sidewalk to reduce the trip hazard.
- Held three presentations by Mary Bauer on better hearing and "clear speech" This resulted in changing where Board meetings are held to improve the auditory environment.
- Conducted and summarized an Audio Visual and Lighting Study (AVAL), including a community survey, to guide planning for improvements.
- Conducted three tours of buildings with acoustic improvements to identify solutions for our Park and Social rooms.
- Installed additional acoustic paneling in the Makerspace to reduce noise in nearby residential units.
- Installed additional lighting and a fan in the "washing bay" financed by donations from several sources. The fan helps evaporate water from the floor, which should reduce growth of mold.
- Raised \$500+ through participation in the annual Saint Anthony Park Garage Sale.
- Blended the Garage, Makerspace, Fitness Room and Safety and Security groups into the Building Service Group for efficiency and better coordination.
- Successfully urged Frana to repair the siding and flashing problems on the exterior of the building at no cost to the cooperative.
- Organized cleaning of unit exhaust fans by staff and resident volunteers, generating substantial savings vs. contracting this work.

- Installed floor “stops” to keep the folding chairs standing up straight in the closet in the Social, which greatly improved access to the chairs and tables and made it easier to return the chairs.
- Identified many HVAC and deck exterior doors that are either inoperable or do not latch. Assisted Board in preparing a letter to Frana Companies notifying them of this problem and requesting that they restore the doors to operable condition.
- Implemented a regular maintenance-servicing contract for our fitness room equipment. Repaired one treadmill deck and repaired the recumbent bike.

Technology

Roger Eggen (chair), Laura Baker, Gregg Dana, Sherm Eagles, Bob Kessler, Bill Lorimer, Carolyn Nayematsu, Jim Olmstead, Michael Russelle, Steve Shakman, Joan Shrum, Chip Treen

- Tested a large integrated touch screen (DTEN) as a device for conducting hybrid in-person and online meetings.
- Developed easy protocols to hold hybrid meetings with small groups, currently relying on loaned personal equipment.
- Provided video recordings of Board meetings to the membership.
- Replaced the Wi-Fi access point in the Social to boost the signal.
- Increased Internet speed of the Resident Wi-Fi to improve service for hybrid meetings.
- Negotiated with our Internet provider to double Internet speed to all units with little increase in cost.
- Specified and obtained a new computer for the Maintenance Tech, improving efficiency and reducing stress.



Landscape

Alan Holt (chair), Laura Baker, Ann Juergens, Carolyn Nayematsu, Vince Platt, Chris Kwong, Billie Gaenzle, Susan Shakman, Mark Larson, plus many regular/extraordinary/project-focused volunteers.

- Designed and implemented supplemental plantings on the Oak Knoll, Church and Blue House Hill, west lawn, and other beds, utilizing transplants and donated plants plus a few purchased plants.
- Reseeded patio lawn and investigated strategies for transitioning portions of our large lawn to more drought-tolerant, pollinator-friendly plant mixes. Will test those strategies on two areas in the coming growing season.

- Replenished mulch in some areas using donated material (thank you, Luther Seminary!) and volunteer labor. We are proposing a \$3500 project to re-mulch the larger Oak Knoll, Church Hill, and entry beds via contractor for the coming season, recognizing this is beyond the safe limits of volunteer labor.
- Planted and maintained spring, summer, and fall floral planters in the front entry area, herb/floral planters on the patio, and decorative planters through winter.
- Monitored our lawn and irrigation contractors to ensure they are aligned with our landscape needs.
- Compiled a comprehensive list of all Landscape projects as a guide for ongoing planning and budgeting.
- And, of course, we weeded....

Respectfully Submitted by Alan Holt

Cooperative Living Committee

The membership in 2022 consisted of Co-chairs Gregg Dana and Carolyn Nayematsu, Board representative Marianne Schwalen, Ted Bowman, Sherman Eagles, Joanna Lees, Lola Ruff, Gwen Kessler, Joan Shrum. The Service Groups that reported to the CLC were Social, Waste Reduction, Library, Hospitality, and Energy. In September the Energy Service Group was moved to the Building and Grounds Committee.

The committee met monthly throughout the year. We heard reports from our Service Groups, and in general they have been operating very smoothly. The agenda items from the Service Groups' activities and from the Board that were addressed in 2022 included:

- Created our committee charter, which was approved by the Board in September;
- Approved the charters and membership of our Service Groups;
- Worked on a request from the Social Service Group to create a plan to improve our communication system, focusing on our community calendar and email newsletter. The way that events are scheduled by Jeff and by members was clarified. Joan Shrum volunteered to produce a weekly email newsletter (Z-NewZ), which provides community information about events and goings-on, Zvagoans traveling, reminders and other news that residents wish to see reported;
- Started a continuing process of identifying the values and best practices that characterize successful senior housing cooperatives;
- Created a recommendation to the Board about long-term loans. This was a complex issue, which generated controversy within the Committee and the whole community. It was a sometimes difficult, useful experience in which the committee worked hard to be aware of its own processes and to learn about how to respond to controversial issues;
- Processed budget requests from the Service Groups for the coming fiscal year and forwarded them to the Finance Committee;
- Forwarded to the Board the Social Service Group request that our cooperative participate in the Saint Anthony Park 4th of July parade.

Submitted by Gregg Dana

Finance Committee

In August the committee, after reviewing expenses and credits received following re-financing, recommended that \$27,880 of the credit be used to repay the operational account for funds borrowed and that the remaining \$68,000 be transferred to the Supplemental Account. In March 2023 the committee posted on its website an explanation of the re-fi.

In October the committee recommended that the Board immediately purchase \$10,000 in TIP's (inflation protected bonds) earning 9% and another \$10,000 in January. (There is a \$10,000 limit on annual purchases.)

In November the committee after studying investment options recommended the Board open an account with a brokerage firm or other financial institution to purchase up to \$70,000 in laddered, insured CDs for a term of no more than two years.

January through April the committee collected and analyzed information on current year expenditures and projections for next year to prepare next year's recommendation.

In February the committee made two recommendations to the Board regarding the supplemental reserve fund

Recommendation 1: The Supplemental Reserve (SR) is established and funded by the ZSAP for the purpose of replacing Board-approved cooperative assets.

The Supplemental Reserve:

- Supplements the Replacement Reserve, which is required by HUD.
- Is funded by members' monthly fees and up to 50% of any budget surplus at the closing of the ZSAP financial year.
- Other cash amounts generated by the cooperative and not already designated by the Board may also be contributed to this reserve.

- Adds flexibility to the process of replacing both HUD- approved assets and assets that are not included as HUD monitored assets.

For example, the building sidewalks can be replaced with funds from either the HUD Replacement Reserve or the Supplemental Reserve. In contrast, EV chargers can only be replaced with funds from the Supplemental Reserve.

- May be used by the Board in the event of an emergence or urgent situation.
- The use of SR funds is considered a loan and requires repayment of this sum within a year unless the Board determines another timeline. The Board will specify the repayment schedule.

Recommendation 2: The ZSAP cooperative endorses and promotes the value that each shareholder has a fiduciary responsibility to assure the cooperative's financial vitality.

In April the committee completed work on the ZSAP budget and recommended the following:

- An annual budget totaling \$1,286,831 for 2023-2024;
- Establishing a minimum \$100,000 target for the checking account; and
- Creating a contingency savings account of \$20,000 for the 2023-24 budget cycle.

Committee Members: Ann Wynia (chair), Earline Coleman, Verne Jones, Mary Kennedy, Steve Shakman, Joan Shrum
Board Liaisons Chip Treen and Terry Banovetz-Gerst.

Respectfully submitted by Ann Wynia

Marketing Committee

Zvago's Marketing Committee made the most of our first fiscal-year marketing budget (\$2000) to put in place the building blocks that will ensure a strong future for our co-op. Among the crucial marketing tools our dedicated, resourceful and creative members developed:

- a public, accessible-to-all website zvagosap.com
- Google Business Profile for our Zvago St. Anthony Park search page, and member reviews to boost search engine optimization
- suite of marketing materials
- Photo shoot to bring it all to life
- Our first open house

Reservation List vetted

Underpinning our work was much-needed attention to our sizable waitlist. Our board president Claudia Parliament and treasurer Terry Banovetz-Gerst spent hours tracking years-old records from our developer — through changes of property management companies, banks and front-office staff — to create a thoroughly vetted Reservation List that will serve as a reliable pool of prospects. The board has directed the Property Manager (PM) to maintain the Reservation List going forward.

- Total parties on Reservation List as of March 2023: 154

First prospect communications sent

- **July 2022:** Postcard mailed to entire Reservation List, hand-addressed by member volunteers—the first such contact with prospects since our 2019 opening. Purpose: to gauge prospects' interest and update contact information. One oversight: no forwarding mail service requested.
- **August:** Follow-up emails sent by PM to those who hadn't responded.

Stats:

- "Still interested?" postcards mailed: approx. 140
- Responses: YES, stay on list—80; NO, request deposit refund—5
- Follow-up emails sent: 55

Our Internet presence: zvagosap.com and more

Committee member Jay Weiner undertook creation of the new website, using inexpensive web-building tools and testing the site for usability on all digital devices. The result of his know-how and considerable efforts: a user-friendly, informative, attractive site we're proud of. **Our goals:** to create a public face for our co-op, an interactive site for prospects, and a place to educate them on the nature of cooperative ownership and cooperative living. To ensure that prospects' Inquiries are answered promptly, Jay set up an email box (info@zvagosap.com) on the home page, monitored by the PM and backed up by designated committee members. Improvements to the site are ongoing.

Stats and analytics:

- Since October 2022 a total of 3,501 people have viewed our Google profile. Of those, 639 people took another step, either to go to our website or to get directions to the co-op.
- In February 2023 (the most recent month tracked), the website had 189 visits from 170 different users. A majority of visitors to the site checked out "Our Home" and "Available." Assuming similar traffic over one year, we're averaging 2,000+ website visits a year.
- 24 requests for tours through our dot-com and dot-org websites from July 2022 through March 2023. Other inquiries: 10+.
- Additions to Reservation List since August 2022 website launch: 18

Materials produced

To give ourselves a readily recognizable graphic identity, we created a suite of print materials to be used for all cooperative communications, business and promotional uses:

- Cooperative letterhead and #10 envelopes
- Digital letterhead template
- Notecards/envelopes
- Calling cards for property manager, board and members doing business with vendors
- Cooperative informational brochure, printable in-house as needed
- Assorted other promotional/informational pieces updated or created, including Reservation List Agreement, "What is a co-op?" primer, Zvago St. Anthony Park FAQs, St. Anthony Park Services and Lifestyle Comparison worksheet
- Folders and logo stickers for prospect packets
- Vinyl banner for use at events

First professional photo shoot, August 2022

As an alternative to purchasing stock photos, we contracted with OneShot Media for a half-day shoot resulting in 25 photos of our building and actual ZSAP members. Though our list of 22 setups was overly ambitious, the results ranged from more than satisfactory to excellent. Lessons learned for the next shoot: Allow more time for art-direction, and bring in a spotter/coach for group shots.

First Open House: Oct. 8, 2022

This event was a joint effort of the Marketing Committee (logistics cochair Nancy Lorimer) and the Social Service Group (logistics cochair Billie Gaenzle), with participation by 30+ members in supporting roles.

Highlights: tours given; member artworks looping on the Exchange digital screen; live music by the Holts in the Social. The feedback: A resounding success that sparked feel-good, cooperative-unifying spirit.

Stats:

- 137 hand-addressed postcard invitations mailed to Reservation List prospects. RSVPs (but not mail return service) requested.
- 74 prospects attended, including several who had not RSVP'd and a few who brought guests.
- 21 RSVPs were no-shows. They received follow-up emails.

Tours

Member-led tours continue. From May 2022 through March 2023, Marketing Committee members gave at least 24 tours to 43 prospects (19 couples, 5 singles) and fielded more than a dozen other inquiries. The Property Manager and various other members may have given additional, unlogged tours.

Other 2022 events inaugurated

A dozen ZSAP members marched -- and biked -- in St. Anthony Park's 75th annual Fourth of July Parade to show our community spirit. Leading the way: a contingent of members bearing our new banner.

Looking ahead: Proposed marketing initiatives for FY23-24

A readiness-to-move seminar for top prospects, annual notices to all prospects of changes to their place on the Reservation List, a member-designed Zvago SAP holiday greeting card, and more.

Respectively Submitted, Mary Ann Nord

Policy and Procedure Committee

Background

Feb. 23, 2022, Board member Bob Kessler presented a recommendation to establish an ad hoc Policy and Procedure Committee. The Zvago SAP Board of Directors approved the recommendation and Bob Kessler was appointed Board liaison.

Task

Review ZSAP Rules and Regulations and the Member Guide in a systematic and comparative way to harmonize with our governing documents and identify any necessary and appropriate revisions, clarifications, additions, and/or deletions that should be made. The Committee also seeks to simplify and condense the volume of our regulations wherever possible.

Assignment

The following are the potential areas in our documents chosen by the Board.

- Fire Safety and Severe Weather Guidelines: need clarity
- Maintenance and Repair System: needs updating, delete TELS, add Belay and clarify an emergency and document emergency phone number to call.
- Safety and Security: items need clarity and one location for the information.
- Pet Guidelines: current Member Guide and Rules and Regulations conflict.
- Trash and Recycling Guidelines: add information regarding composting
- Makerspace policy: needs updating to match the Board approval of non-member use of the space.
- Garage Storage: needs updating to include the rule of nothing within 3 inches of the sprinkler spigot or 36 inches for tires and Board approval that items may be stored on top of the storage cabinets.

Members

Lois Poser (chair), Ann Juergens, Sherm Eagles, Gwen Kessler, Peter Fischer, Joanna Lees (observer)

Accomplishments: July-November 2022

- July 28, 2022
Waste Reduction Policy approved
Belay Conversion Policy approved
Makerspace Policy approved.

- August 31, 2022:
Pet Policy approved. Listening sessions held
- November 30, 2022:
Garage Storage Policy approved
Dog Wash Policy approved
Fire and Carbon Monoxide Policy approved

September 2022 – January 2023.

Two members of the Policy and Procedure, Gwen Kessler and Lois Poser, worked on the Building Entry sub-committee.

November 30, 2022:

Claudia proposed and the ZSAP Board approved the change of the ad hoc Policy and Procedure Committee to a Standing Committee. Terry Banovetz-Gerst was appointed the Board Liaison.

The Committee was asked to write and submit a Charter to the Board for their approval.

January 25, 2023:

- Building Entry Policy approved by Board 2 Listening sessions held

February 22, 2023:

- Policy and Procedure Committee Charter approved.

April 2023:

The final draft of the Safety and Security Policy is on track to be presented to the ZSAP Board of Directors for approval.

In conclusion:

The members of the Policy and Procedure Committee are dedicated, hard working, team players that are motivated to our task of reviewing our governing documents in a systematic and comparative way. To identify any necessary and appropriate revisions, clarifications, additions and/or deletions that should be made. The approved policies represent hundreds of hours of tedious work, meeting weekly, reading and writing drafts until they are ready to be approved by the Board. Meeting with other committees and service group members to seek their advice and expertise on specific items, and listening sessions to “hear” from our Members. We have many accomplishments this past year and expect more to follow in the year ahead.

Respectfully submitted by Lois Poser

Property Manager Report

Opening Statement:

The Zvago community indeed has had a great year! The Board of Directors and members serving on a committee or a service group deserve kudos. A full slate of projects and building community enhancements were completed over the last year. Please join me in giving everyone a round of applause.

Here is a sampling of the successful projects and community enhancements completed in the last year:

- Installation of a handicap accessible automatic door opener for the garage trash room funded by; a Ramsey County community approved grant application;
- Brushing and cleaning of the A/C condensers located the building's roof to preserve these assets;
- Dryer duct cleaning for the first time since the building's opening;
- Sale and special shipping case built for the Share Point EV Charger;
- Installation of two EV fast chargers;
- Installation of owner provided energy monitoring system to assess energy use efficiencies;
- Improved lighting in the refurbished wash bay;
- Frana's no-cost repair of failing LP siding located above the upper ledge of 3rd floor;
- Recalibration of the NO2 / CO sensors in the garage;
- Participation in the annual St. Anthony Park, neighborhood garage sale.
- Hosted field trip for neighborhood cub scouts to teach them how to safely use hand tools.
- Hosted a children's Suzuki violin recital thanks to member who is faculty member in the Augsburg musical department

Cooperative Overview

Ebenezer Management Services (EMS) thanks the board of directors and every member for their contributions to the ongoing betterment of the cooperative. EMS is fortunate and grateful to be providing accounting, consulting and other essential services to your community. Jeffrey Wigren, Property Manager and Michael Quirk Maintenance Tech are strongly committed to Zvago's vision and future successes.

The community's wealth of knowledge, initiative and common purpose brings the community together and creates a social fabric that is welcoming and open to divergent views. Zvago is an inclusive community striving every day to build, strengthen and solidify the financial and social well being among its members. Its success is largely due to the many volunteer hours members provide to the community.

Last year one unit turned over and two new members were welcomed, Mark and Carol Stitzel. Currently there are 83 individuals living here, of which 78 are charter members who moved in more than four years ago.

Closing Statement:

Thank you Board of Directors for your continued support, guidance and care you provide to the successful operation of Zvago. Be proud of the wonderful work you do.

Michael Quirk and I are grateful to be working and contributing to your success. We have been treated well. The community's appreciation and kindness is evident each day. We are fortunate to have such a welcoming and warmhearted community in which to work.

Jeffrey Wigren

THANKS AS WE HEAD INTO A NEW YEAR

We did it! Another year together.
We've survived and thrived, whatever the weather.
New board, new committees, new members too.
Lots accomplished – because of you.

2022 to '23: too much to name it all here.
To committees, groups, every fine volunteer
who brightened our community day-in-and-out
we surely do want to give a great shout!
Some are formally known, others mostly unseen
(no minutes, only later can you see where they've been—
snow shovelers, car washer, compost bin and vent cleaners,
open house greeters, flower and speaker arrangers,
hospitality /safety folk) and then too the Z-news writer
who is now a weekly delighter!

Who'd of thunk it? We've weathered storms
(literal – and figurative about long-term loans).
We've confronted grief and loss, we've shared our joys
and experienced the salve that community deploys.
Traveling has resumed, long neighbors' absences too.
We've had Covid and many another medical issue—
and amidst it all our community responded
with help and good cheer, which means that we've bonded
together still more. So say thanks for today.
We'll be here together, come whatever may.

Let's look forward to next year, whatever may come
and give thanks in this new year that Zvago is home.

Sonya Steven