

## TABLE OF CONTENTS

	Page
Independent Auditor's Report	1
Balance Sheet	2
Statement of Revenues, Expenses, and Changes In Fund Balances	3
Statement of Cash Flows	4
Notes to Financial Statements	5-9
Independent Auditor's Report on Supplementary Information	11
Schedule of Operating Fund Revenues and Expenses - Actual vs. Budget	12-15
Supplementary Information on Future Major Repairs And Replacements	16



JOE A. CATARINEAU, CPA  
CONNIE F. CATARINEAU, CPA

Email: [accountants@catarineaucpa.com](mailto:accountants@catarineaucpa.com)  
[www.catarineaucpa.com](http://www.catarineaucpa.com)

---

8000 S.W. 117<sup>th</sup> AVENUE, SUITE 204 • MIAMI, FLORIDA 33183 • PHONE (305) 596-7883 • FAX (305) 596-4577

---

## *Independent Auditor's Report*

To the Board of Directors and Unit Owners of  
Condominium Association of Parker Plaza Estates, Inc.  
Hallandale, Florida

We have audited the accompanying balance sheet of Condominium Association of Parker Plaza Estates, Inc. as of September 30, 2012, and the related statement of revenues, expenses and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Condominium Association of Parker Plaza Estates, Inc. as of September 30, 2012, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information included in the schedule of revenues and expenses - budget vs. actual is presented for additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association'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 audit 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 information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Catarineau & Givens, P.A.*

Catarineau & Givens, P.A.  
Miami, Florida 33183  
December 27, 2012

**Condominium Association of Parker Plaza Estates, Inc.**  
**Balance Sheet**  
**September 30, 2012**

<u>ASSETS</u>	<u>OPERATING</u>	<u>SPECIAL ASSESSMENT</u>	<u>TOTAL</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 1,221,036	\$ 18,465	\$ 1,239,501
Assessments receivable from members, net of allowance for doubtful accounts of \$41,369	106,674	5,368	112,042
Prepaid insurance	541,052	-	541,052
Due from Special Assessment (Due to Operating)	13,804	(13,804)	-
Other current assets	14,635	-	14,635
Total Current Assets	<u>1,897,201</u>	<u>10,029</u>	<u>1,907,230</u>
Property and equipment, net of accumulated depreciation (Note 6)	1,070,749	-	1,070,749
<b>OTHER ASSETS</b>			
Closing costs, net of accumulated amortization of \$2,303	4,099	-	4,099
Utility deposits	18,160	-	18,160
Total Other Assets	<u>22,259</u>	<u>-</u>	<u>22,259</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,990,209</u>	<u>\$ 10,029</u>	<u>\$ 3,000,238</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 136,588	\$ -	\$ 136,588
Insurance contract payable	433,948	-	433,948
Current portion of notes payable	230,605	-	230,605
Accrued interest payable	90,266	-	90,266
Accrued payroll	8,971	-	8,971
Escrow - contractors	20,050	-	20,050
Escrow - rentals	111,490	-	111,490
Escrow - maintenance	109,056	-	109,056
Prepaid maintenance	27,338	-	27,338
Total Current Liabilities	<u>1,168,312</u>	<u>-</u>	<u>1,168,312</u>
<b>LONG-TERM LIABILITIES</b>			
Notes payable, net of current portion	9,627,723	-	9,627,723
Total Long-term Liabilities	<u>9,627,723</u>	<u>-</u>	<u>9,627,723</u>
<b>TOTAL LIABILITIES</b>	10,796,035	-	10,796,035
Commitments and Contingencies (Note 3)			
<b>FUND BALANCE (DEFICIT)</b>	<u>(7,805,826)</u>	<u>10,029</u>	<u>(7,795,797)</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 2,990,209</u>	<u>\$ 10,029</u>	<u>\$ 3,000,238</u>

See independent auditor's report  
and accompanying notes to financial statements

**Condominium Association of Parker Plaza Estates, Inc.**  
**Statement of Revenues, Expenses and**  
**Changes in Fund Balances**  
**For the Year Ended September 30, 2012**

	<u>OPERATING</u>	<u>SPECIAL ASSESSMENT</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>			
Member assessments	\$ 4,345,114	\$ -	\$ 4,345,114
Fees and charges	90,227	-	90,227
Parking	82,803	-	82,803
Miscellaneous income	1,963	6,116	8,079
Repairs / work orders	9,609	-	9,609
Rental income	16,000	-	16,000
Laundry income	11,688	-	11,688
Application fees	6,530	-	6,530
Late fees	7,525	775	8,300
Recovered income	66,143	-	66,143
Interest income	4,047	-	4,047
Gain on sale of apartment	22,130	-	22,130
Total Operating Revenues	<u>4,663,779</u>	<u>6,891</u>	<u>4,670,670</u>
<b>OPERATING EXPENSES</b>			
Fixed contracts	1,024,791	-	1,024,791
Utilities	931,942	-	931,942
Administrative	1,075,063	3,769	1,078,832
Interest expense	544,155	-	544,155
Special assessment	-	554,069	554,069
Special project	233,239	-	233,239
Salaries and related expenses	478,311	-	478,311
Building operations	208,728	-	208,728
Depreciation and amortization	31,055	-	31,055
Total Operating Expenses	<u>4,527,284</u>	<u>557,838</u>	<u>5,085,122</u>
<b>EXCESS OF OPERATING REVENUES OVER OPERATING EXPENSES</b>	136,495	(550,947)	(414,452)
<b>FUND BALANCE (DEFICIT) - BEGINNING OF YEAR</b>	<u>(7,942,321)</u>	<u>560,976</u>	<u>(7,381,345)</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ (7,805,826)</u>	<u>\$ 10,029</u>	<u>\$ (7,795,797)</u>

See independent auditor's report  
and accompanying notes to financial statements

**Condominium Association of Parker Plaza Estates, Inc.**  
**Statement of Cash Flows**  
**For the Year Ended September 30, 2012**

	<u>OPERATING</u>	<u>SPECIAL ASSESSMENT</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Excess of operating revenues over expenses (Deficit of operating expenses over revenues)	\$ 136,495	\$ (550,947)	\$ (414,452)
Adjustments to reconcile excess of operating revenues over expenses to net cash provided by operating activities:			
Depreciation	30,871	-	30,871
Amortization	184	-	184
Gain on sale of apartment	22,130	-	22,130
Changes in operating assets and liabilities			
Decrease (increase) in:			
Assessments receivable	(37,004)	274,467	237,463
Other current assets	(13,441)	-	(13,441)
Prepaid insurance	(59,223)	-	(59,223)
Increase (decrease) in:			
Accounts payable and accrued expenses	2,744	-	2,744
Accrued interest payable	(1,999)	-	(1,999)
Prepaid maintenance	9,214	-	9,214
Accrued payroll	1,961	-	1,961
Escrow contractors	4,750	-	4,750
Escrow maintenance	109,056	-	109,056
Escrow rentals	14,890	-	14,890
<b>NET CASH PROVIDED BY (USED BY) OPERATING ACTIVITIES</b>	<b>220,628</b>	<b>(276,480)</b>	<b>(55,852)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Sale of apartment	117,870	-	117,870
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>117,870</b>	<b>-</b>	<b>117,870</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net advances and repayments of notes payable	(217,091)	-	(217,091)
Insurance contract payable	47,737	-	47,737
Due from Special Assessment (Due to Operating)	77,832	(77,832)	-
<b>NET CASH USED BY FINANCING ACTIVITIES</b>	<b>(91,522)</b>	<b>(77,832)</b>	<b>(169,354)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>246,976</b>	<b>(354,312)</b>	<b>(107,336)</b>
<b>CASH &amp; CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>974,060</b>	<b>372,777</b>	<b>1,346,837</b>
<b>CASH &amp; CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 1,221,036</b>	<b>\$ 18,465</b>	<b>\$ 1,239,501</b>

See independent auditor's report  
and accompanying notes to financial statements

**Condominium Association of Parker Plaza Estates, Inc.**  
**Notes to Financial Statements**  
**September 30, 2012**

***NOTE 1 - Nature of Activities***

Condominium Association of Parker Plaza Estates, Inc., “the Association”, is a statutory association incorporated in the State of Florida in 1970. The Association is responsible for the operation and maintenance of the common property within the development. The development consists of 520 residential units located in Hallandale, Florida.

***NOTE 2 -Significant Accounting Policies***

**Fund Accounting**

The Association’s governing documents provide certain guidelines for governing its financial activities. Financial resources are classified for reporting purposes in the following funds established according to their nature and purpose:

Operating Fund: This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund: This fund is used to accumulate financial resources designated for future major repairs and replacements. The membership had voted not to fund any replacements for the year.

Special Assessment (Restricted) Fund: This fund is used to accumulate monies from special assessments designated for specific purposes. There are currently no restricted funds.

**Basis of Presentation**

The Association’s financial statements are presented utilizing the accrual method of accounting. Under this accounting method, assessments are recorded as revenues when billed, and expenses are recorded when they are incurred.

**Property and Equipment**

Real property and common areas are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property to which it has title at cost. Real property not directly associated with unit owners is recognized as assets by the Association when it has title to the property or generates significant cash flows from members or nonmembers on the basis of usage.

**Condominium Association of Parker Plaza Estates, Inc.**  
**Notes to Financial Statements**  
**September 30, 2012**

**NOTE 2 - Significant Accounting Policies (Continued)**

**Property and Equipment (continued)**

Depreciation is computed utilizing the straight-line method over the following estimated useful lives of the assets:

Recreational facility	39 years
Property and equipment	5-7 years

**Member Assessments**

Assessments are levied against the unit owners for their proportionate share of the common expenses and reserves for capital replacements and deferred maintenance as determined by the budget established by the Board of Directors. Assessments are payable quarterly. Assessments receivable at the balance sheet date represents fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in the succeeding year.

The board reviewed the delinquent receivables and has established an allowance for doubtful accounts in the amount of \$41,369 as of September 30, 2012, which includes a \$1,900 allowance for doubtful accounts against the special assessment receivables.

**Income Taxes**

The Association is subject to filing federal tax returns. A homeowners' association may elect to be taxed as a regular corporation or as a homeowners' association, depending upon which method results in the lower tax. An Association that elects to be taxed as a regular corporation is subject to filing state income returns. If the Association elects to be taxed as a regular corporation, the excess of revenues from members over related expenditures is subject to taxation, unless such excess is returned to the unit owners or is applied to the following year's assessments. If the Association elects to be taxed as a homeowners' association, it is generally taxed only on non-membership income, such as interest income. Membership income is exempt from taxation if certain elections are made. The Association has elected to be taxed as a homeowner's association.

**Cash and Cash Equivalents**

The Association's cash and cash equivalents include demand deposits and money market instruments. On October 10, 2008, the FDIC increased the insurance limit to \$250,000. At September 30, 2012, funds in accounts insured by the FDIC exceeded the insured limit by approximately \$537,000.

**Condominium Association of Parker Plaza Estates, Inc.**  
**Notes to Financial Statements**  
**September 30, 2012**

***NOTE 2 - Significant Accounting Policies (Continued)***

**Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

***NOTE 3 - Commitments and Contingencies***

The Association is subject to legal matters, which may arise, primarily in the ordinary course of business. The Association does not anticipate any losses with respect to such existing or pending matters at September 30, 2012.

The Association's insurance policies have high-deductibles on windstorm and hail coverage.

***NOTE 4 - Supplemental Disclosures of Cash Flow Information***

Cash paid for interest (loan and insurance financing interest) and income taxes for the year ended September 30, 2012 are as follows:

Interest	\$552,679
	=====
Income taxes	\$ 0
	=====

***NOTE 5 - Subsequent Event***

The Company has evaluated subsequent events through December 27, 2012, which is the date the financial statements were available to be issued.



**Condominium Association of Parker Plaza Estates, Inc.**  
**Notes to Financial Statements**  
**September 30, 2012**

***NOTE 6 - Property and Equipment***

Property and equipment as of September 30, 2012 were as follows:

Recreational facility	\$ 975,000
Recreational facility (Land)	975,000
Equipment	68,948
	2,018,948
Less accumulated depreciation	948,199
	\$ 1,070,749

Depreciation expense for the year ended September 30, 2012 was \$30,871.

***NOTE 7 - Note Payable - Long Term***

The note is payable in quarterly installments of \$190,811.36 including interest. The interest rate is fixed for the first five years and is determined by adding the margin (265 basis points) to the index (5 Year US SWAP) and rounding to the next highest eighth percent, then to adjust every five years, until paid in full. The loan is collateralized by first position assignment and pledge to the Bank of the Association's future income including its right to receive general and any special assessments associated with capital projects.

	\$ 9,858,328
Less: Current maturities of note payable	230,605
	\$ 9,627,723

Principal maturities of the note for the next five years are as follows:

For the year ending September 30,

	2013	230,605
	2014	243,432
	2015	256,972
	2016	269,903
	2017	286,277
	2018 and thereafter	8,571,139
		\$ 9,858,328

Interest expense on this note for the year ended September 30, 2012 was \$ 544,155.

**Condominium Association of Parker Plaza Estates, Inc.**  
**Notes to Financial Statements**  
**September 30, 2012**

***NOTE 8 - Operating Lease***

The Association also leases equipment under several non-cancelable operating leases with unrelated parties which expire in September, 2012. The total amounts paid during the year ended September 30, 2012, was \$8,171

The following is a schedule of future minimum payments required under the above non-cancelable leases:

For the Year Ending September 30,		
2013	\$	-
2014		-
2015		-
Total	\$	-

***NOTE 9 - Future Major Repairs and Replacements***

At a duly constituted meeting, the Association elected to waive budgeted reserve funding for the year ended September 30, 2012, as they have in all prior years, and accordingly no reserves are shown on the financial statements. If funds are needed as major repairs and replacements occur, the Association has the right, subject to member approval, to increase regular assessments or levy special assessments or it may delay major repairs and replacements until funds are available.

Under Chapter 718.112 of the Florida Statutes, these reserves are for, but not limited to, roof replacement, painting of the building, and pavement resurfacing. When the funds are required for major repairs and replacements, the Association plans to borrow, assess special assessments, or delay repairs and replacements until funds are available. The effect on future assessments has not been determined.

***NOTE 10 - Special Assessment***

On July 6, 2011, the Association approved a special assessment for the emergency generator, water wells, and fire alarm for a total of \$782,676. The Association is allowing the unit owner to pay the special assessment in two installments, half due on August 1, 2011 and the second half to be paid by November 1, 2011. The special assessment receivable balance was \$7,267 as of September 30, 2012 and an allowance for uncollectible special assessments was established in the amount of \$1,900 as of September 30, 2012.

# Supplementary Information



JOE A. CATARINEAU, CPA  
CONNIE F. CATARINEAU, CPA

Email: [accountants@catarineaucpa.com](mailto:accountants@catarineaucpa.com)  
[www.catarineaucpa.com](http://www.catarineaucpa.com)

---

8000 S.W. 117<sup>th</sup> AVENUE, SUITE 204 • MIAMI, FLORIDA 33183 • PHONE (305) 596-7883 • FAX (305) 596-4577

---

## *Independent Auditor's Report On Supplementary Information*

To the Board of Directors and Unit Owners of  
Condominium Association of Parker Plaza Estates, Inc.  
Hallandale, Florida

Our report on the audit of the basic financial statements of the Condominium Association of Parker Plaza Estates, Inc. for September 30, 2012 appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on future major repairs and replacements on page 16 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

The information included the statement of revenues and expenses - actual vs. budget, statement of detailed operating expenses - actual vs. budget, and supplementary information on future major repairs and replacements on pages 12 - 16 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Catarineau & Givens, P.A.*

Catarineau & Givens, P.A.  
Miami, Florida 33183  
December 27, 2012

**Condominium Association of Parker Plaza Estates, Inc.**  
**Schedule of Operating Fund Revenues and Expenses**  
**Actual vs. Budget**  
**For the Year Ended September 30, 2012**

	Actual	Budget (Unaudited)	Variance
Operating Revenues			
Member assessments	\$ 4,345,114	\$ 4,344,120	\$ 994
Fees and charges	90,227	116,043	(25,816)
Parking	82,803	92,337	(9,534)
Miscellaneous income	1,963	5,200	(3,237)
Repairs / work orders	9,609	0	9,609
Rental income	16,000	33,060	(17,060)
Laundry income	11,688	11,600	88
Application fees	6,530	7,050	(520)
Late fees	7,525	4,968	2,557
Recovered income	66,143	0	66,143
Interest income	4,047	3,331	716
Gain on equipment	22,130	10,000	12,130
Rollover, prior year	-	105,000	(105,000)
Total Operating Revenues	4,663,779	4,732,709	(68,930)
Operating Expenses			
Building maintenance	208,728	209,400	(672)
Salaries and related expenses	478,311	374,435	103,876
Administration expenses	1,075,063	984,723	90,340
Fixed contracts	1,024,791	859,142	165,649
Utilities	931,942	1,018,500	(86,558)
Special projects	233,239	422,509	(189,270)
Loan interest	544,155	564,000	(19,845)
Depreciation and amortization	31,055	-	31,055
Total Operating Expenses	4,527,284	4,432,709	94,575
Excess of Operating Revenues over Operating Expenses	\$ <u>136,495</u>	\$ <u>300,000</u>	\$ <u>(163,505)</u>

**Condominium Association of Parker Plaza Estates, Inc.**  
**Statement of Detailed Operating Expenses**  
**Actual vs. Budget**  
**For the Year Ended September 30, 2012**

	Actual	Budget (Unaudited)	Variance
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Administrative			
Accounting	\$ 31,255	\$ 22,000	\$ 9,255
Annual fee	2,600	2,100	500
Application screening	3,781	4,000	(219)
Bad debt expense	26,841	90,000	(63,159)
Bank charges	1,915	500	1,415
Computer expenses	6,104	3,000	3,104
Election expenses	4,014	-	4,014
Employee gas	546	1,000	(454)
Insurance - all risk	716,956	712,223	4,733
Insurance - claims deductible	-	2,000	(2,000)
Licenses/fees/permits	3,961	5,000	(1,039)
Maintenance fees	19,812	18,000	1,812
New hire fees	7,038	400	6,638
Office (computer software)	5,686	5,000	686
Office (kitchen)	1,834	2,000	(166)
Office (supplies)	12,059	10,000	2,059
Postage and deliveries	3,768	6,000	(2,232)
Professional fees	193,083	84,000	109,083
Radios	3,499	2,000	1,499
Settlement expenses	25,000	-	25,000
Taxes	447	5,500	(5,053)
Unit expenses - Parker owned	4,864	10,000	(5,136)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Administrative Expenses	1,075,063	984,723	90,340
Building Maintenance			
Cleaning supplies	\$ 1,891	\$ 2,500	\$ (609)
Cleaning supplies (paper)	674	2,000	(1,326)
Compactors	1,058	4,000	(2,942)
Electrical room	2,000	5,000	(3,000)
Elevator repair	555	17,000	(16,445)
Fire alarm maintenance	2,016	400	1,616
Gym maintenance	3,672	4,000	(328)
Outside contractors	111,618	100,000	11,618
Parts and supplies	70,201	52,000	18,201
Pool maintenance	12,806	18,000	(5,194)
Trash bags for units	1,653	4,000	(2,347)
Uniforms	584	500	84
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Building Maintenance	208,728	209,400	(672)

**Condominium Association of Parker Plaza Estates, Inc.**  
**Statement of Detailed Operating Expenses**  
**Actual vs. Budget**  
**For the Year Ended September 30, 2012**

	Actual	Budget (Unaudited)	Variance
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Fixed Contracts</b>			
Chillers	\$ 25,523	\$ 24,114	\$ 1,409
Copier	8,105	4,800	3,305
Elevator	28,800	28,800	-
Fire alarm	1,037	1,000	37
Housekeeping	135,190	132,000	3,190
Landscaping	16,094	16,000	94
Maintenance contract	236,033	166,000	70,033
Pest control	5,709	4,500	1,209
Security/contract	352,032	270,000	82,032
Telephone	1,461	1,500	(39)
Valet/contract	145,617	146,000	(383)
Waste removal	65,110	59,628	5,482
Water treatment	4,080	4,800	(720)
<b>Total Fixed Contracts</b>	<u>1,024,791</u>	<u>859,142</u>	<u>165,649</u>
<b>Salaries and Payroll Costs</b>			
Employee health insurance	\$ 20,810	\$ 26,715	\$ (5,905)
Holiday fund	6,053	9,000	(2,947)
Payroll - Maintenance	152,630	40,560	112,070
Payroll - Housekeeping	23,420	21,840	1,580
Payroll - Administration	156,171	140,000	16,171
Payroll - Pool	33,893	48,000	(14,107)
Payroll - Contractor control	30,917	30,680	237
Payroll taxes	38,186	35,400	2,786
Special events	6,225	6,240	(15)
Workers compensation insurance	10,006	16,000	(5,994)
<b>Total Salaries and Payroll Costs</b>	<u>478,311</u>	<u>374,435</u>	<u>103,876</u>
<b>Special Projects</b>			
Fire Alarm/Sprinkler project	\$ 192,745	\$ 150,000	\$ 42,745
Chiller replacement	20,075	160,009	(139,934)
Repair concrete on building walls	11,808	20,000	(8,192)
Roof repairs	5,841	7,500	(1,659)
Electric revision	2,650	5,000	(2,350)
Non-contracted supervisory services	120	30,000	(29,880)
Pool deck repair	-	50,000	(50,000)
<b>Total Special Projects</b>	<u>233,239</u>	<u>422,509</u>	<u>(189,270)</u>

**Condominium Association of Parker Plaza Estates, Inc.**  
**Statement of Detailed Operating Expenses**  
**Actual vs. Budget**  
**For the Year Ended September 30, 2012**

	Actual	Budget (Unaudited)	Variance
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Utilities			
Cable	\$ 186,727	\$ 173,300	\$ 13,427
Electricity	336,142	380,000	(43,858)
Gas	35,780	50,000	(14,220)
Gas - transportation	16,856	20,000	(3,144)
Telephone	5,938	5,200	738
Water and sewer	<u>350,499</u>	<u>390,000</u>	<u>(39,501)</u>
Total Utilities	931,942	1,018,500	(86,558)
Loan Interest (Budget includes principal)	544,155	564,000	(19,845)
Depreciation & Amortization	<u>31,055</u>	<u>-</u>	<u>31,055</u>
TOTAL EXPENSES	4,527,284	4,432,709	94,575
DEBT SERVICE			
Repayment to Parker Plaza (Alarm System)	100,000	100,000	-
Principal repayment on note	<u>217,091</u>	<u>200,000</u>	<u>17,091</u>
NET EXPENSES	<u>\$ 4,844,375</u>	<u>\$ 4,732,709</u>	<u>\$ 111,666</u>



**Condominium Association of Parker Plaza Estates, Inc.**  
**Supplementary Information on**  
**Future Major Repairs and Replacements**  
**September 30, 2012**

The Association's board of directors had estimated the remaining useful lives and the replacement costs of the components of common property. Actual expenditures may vary from these estimated amounts and the variance may be material. As repairs and replacements are necessary, the Association has the right to increase regular assessments, pass special assessments, or delay major repairs and replacements until funds are available.

The schedule below presents significant information based on the Association's board of directors estimates about the components of common property:

Components	Estimated Remaining Useful Lives (Yrs)	Estimated Replacement Cost	Reserves Held for Future Replacement Costs
Exterior painting	2	\$ 250,000	\$ 0
Roof	5	450,000	0
Emergency generator	9	200,000	0
A/C tower	4	200,000	0
A/C chillers	6	1,250,000	0
Compactors	1	150,000	0
Elevators	7	1,500,000	0
Carpets	5	350,000	0
Paving	3	<u>500,000</u>	<u>0</u>
		<u>\$ 4,850,000</u>	<u>\$ 0</u>