

Condominium Association of Parker Plaza Estates, Inc.

Meeting of the Board of Directors
July 16, 2008
At 7:30 p.m. in the Plaza Room

Call to Order:

Sy Kessler, Secretary of the Board called the meeting to order at 7:30 p.m.

Roll Call:

Present were: Wendy Rosen, Linda Shamlian, Alan Goren, Sy Kessler, Homero Duque.
Absent were: Arlene Lippel, Al Mizrahi, Bob Ortiz, and Johnny Pekats.

Reading of the Minutes:

When Mr. Kessler began to read the minutes of the last meeting, a question arose as to whether or not this could be waived. Comments made suggested that reading of the minutes of the last meeting prepared the way for the items at this meeting. A motion was made to waive the reading and it was approved. The minutes were not read. The minutes are available on the website and there are hard copies in the office.

President's Report:

Homero Duque began by telling everyone that the building is in good shape. He continued to explain that now with the insulation installed the water heaters are functioning well. Our gas consumption, in units, was down in June by 60% compared to last year. This is a good thing since gas prices have increased by 83% since September of 07.

A decision needs to be made regarding **the contract with Comcast**. After the various comment made by residents at the last meeting we went into further investigation and negotiations with Comcast and it was a difficult process. Since most of the wiring is relatively new Comcast will only re-wire as needed. The contract we propose is Basic Cable, the same as we have now, it is a 3 year contract at \$21.84 per unit with a \$6,400 rebate the first year, a 5% maximum increase in the years after. In the past the increase was 7%. President Duque made a motion to accept the proposed Comcast contract. The audience requested a discussion of this contract. They spoke about the proposed 5 year contract presented at the last meeting; the fact that only re-wiring "as needed" is being done; the possibility of Bill Chaiken negotiating for us which proved to be a big problem for Parker in the final negotiations with Comcast. It was mentioned that if we don't sign now for a 3-year period then unit owners will have individual contracts with Comcast and individually the charge for basic cable is \$57 per unit. Since this was considered the best that could be done, at this time, the motion unanimously passed.

Worker's Health Insurance Renewal: Vista has been the insurance carrier for the 9 employees who are insured. The Vista contract expired on July 1st. The new Vista contract called for a 38% increase. The Vista representative was very slow to meet with us and we were placed into a rushed situation because of this. We therefore paid for July

so that the employees would remain covered. We investigated 4 other insurance companies and after review we decided that Humana Insurance was the best alternative, this is an HMO plan. The coverage cost was \$306.05 and the new coverage costs \$423.27, an increase of \$117.22 and to the employees it will now cost an additional \$25 per month. Now Mr. Duque made the following 2 option motion: Option One: we continue charging employees \$100 per person with our contribution capped at \$340, and any future increases would be borne by the employee. Mr. Duque said the employees have not received a pay increase for a long time and it would not be motivating to increase their insurance fee. Mr. Duque, Sy Kessler and Wendy Rosen voted in favor of this proposal. Option Two: we begin charging the employee \$125. Mr. Mr. Goren pointed out that the increase is only \$6 per month and the employees should “share in the expenses of the building.” Mrs. Shamlan agreed this to. With these two points of view stated another vote was taken. One by one the others agreed and the final vote was unanimously in favor of the employees paying the \$125 contribution.

Surveillance System and Refinishing of Elevators: It is important for us to refinish the elevators and it is equally important for us to have a surveillance system in place in order to keep the re-finished elevators in good condition. To this end we have received many quotes ranging from \$65,00 to \$9,00 for surveillance and quotes ranging from \$12,000 to \$16,000 for re-finishing the elevators. After reviewing surveillance proposals we have decided to concentrate on refurbishing our present system with the addition of 6 new cameras since we could not afford to install a new system. We have found a company to refurbish our existing system at a cost \$12,000. We also found a company to refinish the elevators for a cost of \$14,000. So for a total of \$26,000 we can have the surveillance we need and have the elevators looking good again. At this point Mr. Duque introduced Serafin Debesa, owner of High Grade Electric, who came recommended by the City of Miami, to address the audience regarding surveillance. Mr. Debesa explained that we have an older system, that fungus has grown behind certain cameras causing damage and that existing wiring is either damaged or cut. He assured us he can fix the 13 down cameras, do the necessary rewiring, install 6 new cameras, install a new digital recorder (DVR), etc. Mr. Duque informed Mr. Debassa that in the future we would probably need other cameras. For example Mr. Kessler wants a camera at the Jacuzzi and Mr. Debassa informed us we have the camera and only need the pole to mount it on. Julio Ortiz informed us that we have 64 cameras in total on the property and once they are fixed all will be operational. Mr. Duque thanked Mr. Debesa who then left. Mr. Kessler said Mr. Debassa’s company was one-half or less in price than other companies they interviewed. He went on to say this company was given an in-depth background check and all the references and commentary about the company was excellent. Mrs. Shamlan asked how long the memory of the cameras is and it was explained the cameras will have a motion sensor and the cameras would only record when there was movement. Mr. Duque supported Mr. Kessler’s comments. Someone asked about the re-finishing project and it was explained that the price not only included refinishing all the metal in the elevators but the two front doors as well. Mr. Kessler made a motion to accept the proposed surveillance contract; it was seconded and unanimously approved. A motion was made to accept the re-finishing contract and this too was passed unanimously.

The Security Company: We have been receiving many complaints regarding our present security company, Fortress. We have discussed these complaints with the Vice-President of the company, had meetings and sent letters but without any positive results. We have therefore begun the search for a new security company. At this time we have quotes from three (3) companies. One at a lower rate, others at the same rate. Presently we pay Fortress \$15 per hour per person. I now make a motion to approve the cancellation of the contract with Fortress, giving the 30-day notice as stipulated in the contract and giving us the power to engage another company. The audience began asking questions and it was explained that the company best liked was only charging \$14.25 per hour per person which would be a savings of \$17,000 per year. Additionally Mr. Ortiz pointed out we could have a front desk security person in civilian clothing (coat and tie and a Parker Plaza nameplate) and save an additional 6% which would total another savings of approximately \$7,000 for a total of \$24,000 per year. Mr. Kessler pointed out this could be a negative because the guard in civilian clothing couldn't rotate with the other security guard who would be in uniform. Mr. Ortiz explained that the guards never rotate and that those issues were the responsibility of the security company not ours. After further discussion the motion was unanimously passed. Certain personnel will be kept on. We are not changing our security policy, everything will be the same. And furthermore, the cameras when working will be a total asset. There will be the same amount of guards. A comment was made regarding having a handicap ramp installed in the lobby so that people in walkers etc. can sit in the living room section of the lobby.

Office Re-Organization: Currently our accounting is being handled by an outside company at a cost of \$32,000 a year. The bookkeeper comes into the office one day a week and handles all the necessary bookkeeping tasks. We need to re-organize and improve the record keeping and put procedures into place that will improve the daily office operations. I therefore make a motion to approve the hiring of an additional person to work as an accountant/office manager for an additional expense of \$13,000 per year. The discussion which ensued spoke to the fact that office procedures and computer programs at Parker are out dated, the need for of only 2 full time people and no part time person once they hire an accountant/office manager and reorganize etc. The motion passed unanimously.

Installment of water discharge wells: The City of Hallandale has requested on many occasions the installation of additional wells on our property to prevent beach erosion, caused by the wells that exist on the east side of the building that do not do the job. A few years ago this project was by begun by an unscrupulous board who hired an engineering company. That Board paid that company a sum of \$320,00 before receiving any drawings. We are presently suing that engineering company and still have the original problem to deal with. Since our present wells are not capable of draining the water from the beach, pressure from the City and the State forces us to now address and resolve this problem. Robert Fisher took the podium and explained in detail what and how the storm wells work and of what benefit they are to our property. He also explained that because our property has a deficit of green space it is difficult to find an appropriate site for the wells. The first step in this process is to hire a bona fide engineering firm to conduct a study and then prepare the drawings. Mr. Duque made a motion to approve the hiring of

an engineering company to conduct the study at an approximate cost of \$25,000. The motion was seconded by Mr. Kessler and passed unanimously.

Treasurer's Report:

Al Mizrahi's wife is recovering from back surgery and in his absence, Mr. Duque presented the report. We will not run out of money nor will the maintenance for next year change and if it does it will be small. Our end of year outlook is a \$50k negative cash flow and this is a big improvement over where we were earlier in the year. We mentioned a few months ago the second half of the year was not expected to be as good as the first half since some miscellaneous income has gone away such as valet, parking space rentals, and storage room rentals which are paid only once a year. Unpaid maintenance fees will likely increase in the next 3 months, this is the "quarterly effect". We are however actively pursuing unpaid maintenance fees. Unfortunately, the \$300,000 insurance rebate we had anticipated receiving from the flood insurance did not pan out.

Our cash position at the end of June

Banco Popular Operating	\$83,609.53
Banco Popular Payroll	\$42,300.69
Banco Popular Money Market	\$18,597.60
Banco Popular Small Expense Account	\$830.00
Total Banco Popular Operating accounts	\$113,039.35
Banco Popular Money Market Escrow (rentals)	\$75,015.76
SunTrust Signature Advantage (Rainy Day Account)	\$500,000.00

Next Year's Budget: On Monday July 14th a telephone meeting of some of the budget committee took place. Present were Al Mizrahi, Julie Fisher, Boris Moroz and Julio Ortiz. This meeting generated the first draft of the 08-09 budget. We are aiming for "a no increase" in maintenance fees and we expect to come close to within 5% of meeting that goal. A meeting of the full committee is being scheduled for next week. A schedule of the next steps in preparing the budget is listed below:

7/30/2008	Report delivered to Board
8/06/2008	Board considers proposed budget and approves; the mailing goes out to unit owners,
9/10/2008	Board approves new budget
9/11/2008	Approved budget and maintenance fee schedule mailed to owners
10/01/2008	New rates take effect

Building Manager's Report: Julio Ortiz, introduced Marvin Weiss, the new Chief Engineer/Maintenance Manager. Mr. Weiss spoke of his background. He told us he is both a State certified general contractor and a State licensed electrical contractor, and with these credentials he will help Parker save money. What was once out sourced can

now be done “in-house”, he said . He further explained how this fits into Julio’s plan to have a professional crew who can perform tasks for owners at a rate of \$25 per hour.

Mr. Ortiz asked how people liked the new blue umbrellas, his answer was a round of applause. He went on to thank Julie and Robert Fisher for their help and advice to him, and on sharing with him their expertise on many subjects concerning Parker.

On a more serious note, Mr. Ortiz explained that the office is flooded daily with parking complaints. If someone is parked in your space tell the Security immediately and don’t just park arbitrarily. If this happens, the Valet will park your car and the mistaken car in your spot will be towed. Every car in the garage must have a sticker. If you have given permission to someone else to use your parking space, you must provide a letter to that effect to the office. Beginning next week he continued, cars parked incorrectly will be towed. Also cars without proper stickers will be towed. It is our intention to have the building operate properly and incorrect parking cannot be tolerated. “This is part of the Rules & Regulations, I am just the enforcer” he said. A short discussion about garage security and stickers took place. It was mentioned by Mr. Duque that in a few weeks we will start changing the combination on the remote gate openers.

Committee Reports:

- ❖ Building Committee: R. Fisher - already reported about the wells. Also to be mentioned is the humidity factor which on the agenda for this committee to study.
- ❖ Litigation Committee: D. Pinkus - nothing to report
- ❖ Finance Committee: B. Moroz – already reported about the budget.
- ❖ Landscaping Committee: C. Tufano – nothing to report
- ❖ Pool Committee: W Rosen – nothing to report
- ❖ Rules & Regulations: S. Fishgrund – not here
- ❖ Parking Committee: A. Levya – not here
- ❖ Information Technology: J. Fisher – Mrs. Fisher reports the upgrading of the software and hardware is beginning. We are waiting for the hire of the new bookkeeper before we determine just which is the best and most updated software to change over to. Channel 95 is working!
- ❖ Grievance Committee: B. Neft – not here. Mr. Duque mentioned that we should begin to use the Grievance Committee more so that violaters know we mean business.
- ❖ Social Club: R. Steinberg – reported on the successful July 4th party. It began a little late but was great once it began. Both the food and music were good and the rain held off. She thanked Julio Ortiz for recommending the caterer. Mrs. Steinberg continued by reminding everyone that Rosamunde Finkelstein, the treasurer of the Social Club is gravely ill and all cards and prayers etc. can be sent to her at the address she will furnish and place on the bulletin board. The Social Club will be showing movies each week. She added refreshments will be served after the meeting!

Sales and Rentals for the last 6 weeks:

Unit 1809	Sale	Weisberg to Savard	\$305,000
Unit 1512	Sale	Rotches to Galasso	\$380,000
Unit 626	Sale	Cosentin to Tsudek & Garber	\$272,000
Unit 1201	Lease	Spivak to Zisman	
Unit 103	Lease	Parker Plaza to Realty Exchange	
Unit 1702	Lease	Savonof to Espinoza	
Unit 204	Sale	Grosman to Moreno	\$210,000
Unit 620	Sale	Bobillo to Pipitone	\$367,000

Mr. Kessler took the floor and told everyone that Parker has had 19 sales since February and despite the economy Parker has sold more units than other condos on the beach in Hallandale.

Questions and Answers: The audience participation during this segment of the meeting was great. Questions and comments ranged from the problem of water pressure to the litigation which is still in progress. Mr. Duque turned the floor over to Don Pinkus who explained that the litigation is in the hands of the DA and the next trial for Ramos is scheduled for the fall. He went on to mention that VIP Painting charged us 1 ½ million dollars for a job that should cost \$300,00 and a claim against them has now been filed. He told everyone to be patient because the wheels of justice grind slowly. Julio Ortiz wanted to clarify the issue regarding “in house” people working after hours for residents in the building. He explained that the workers do not have liability insurance and if an accident occurred the building would be liable as well as they. Without workman’s compensation in force the liability for us would be great. But when the workers are doing jobs under the auspices of the building then the insurance is in force. Robert Fisher praised the new board for their work, praised Marvin Weiss, who he has known for years. He went on to say the combination of people working at Parker now is a winning one, adding a very positive note to the meeting.

Mr. Kessler made a motion to end the meeting. It was seconded and approved, and the meeting was adjourned at 9:45 p.m.

Respectfully submitted,

Sy Kessler
Secretary
Board of Directors
Parker Plaza Estates