

Condominium Association of Parker Plaza Estates, Inc.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
THURSDAY, MAY 31, 2007
7:30 PM IN THE PLAZA ROOM**

CALL TO ORDER:

The meeting was called to order by President, Donald Pinkus at 7:30 pm.

ROLL CALL:

Present: Veyssel Naranjo, Bob Ortiz, Sy Kessler, Donald Pinkus, Max Silberman, Johnny Pekats, Rosamunde Finkelstein.

Absent: John Flores, Paul Lucia.

READING OF MINUTES:

Mr. Kessler reported that the minutes were not yet complete but would be posted on the web site and hard copies would be available in the office shortly. (Note: they are now posted on our website, www.parkerplaza.org.) Waiving of reading the minutes was motioned and seconded.

Mr. Kessler also reported there was no correspondence.

TREASURERS REPORT:

Bob Ortiz presented the Treasurer's Report as of April 30, 2007

Total Expenses for April	505,215.97
Total Income for April	1,127,959.55
Outstanding Receivable Balance	233,185.56

Bank Account Balances April 2007:

B.P. operating interest	597,108.40
B.P. checking no interest	1,956.31
B.P. Payroll no interest	59,592.96
B.P. Rentals Escrow interest	46,860.62
SunTrust-S.A. windows/doors interest	1,552,574.29
SunTrust new Wilma Acct. interest	298,802.34

TOTAL	\$2,556,895.12
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Mr. Ortiz went on to report the good news of the scrap aluminum sales which to date is \$67,372 and went on to explain there still remains another 2 bins which will add another \$12,000 giving us a total of \$75,000 from the sale of scrap aluminum.

Mr. Pinkus fielded questions regarding bank balances and explained details of the report to various unit owners. He discussed foreclosures. He further explained the monthly report generated by our accountants where each expenditure is itemized and told us this sheet is available for everyone to see but unfortunately this month the report had two errors and would be corrected and available for all to review during the following week. A unit owner requested that the Treasurer's Report be expanded to give us an overview of our financial picture by telling us where we are over spending and where we are saving. Mr. Pinkus thanked him for his comments.

POOL COMMITTEE;

Johnny Pekats reported the pool is in good condition. The door to the beach he advised is being fixed. With regard to the Spa Mr. Pekats informed us that four (4) very expensive weights were "missing". He explained there are cameras in the Spa and the film would be reviewed but in the interim asked that they be returned.

Mr. Pinkus reported that bids were coming in to reconfigure the pool room and perhaps there would be new fobs so the lock would be better but these improvements would be in the future since money was tight at present.

LANDSCAPE COMMITTEE;

Manny Lagonikos reported landscaping in the back section is complete. He explained that once the scaffolding is gone he and Carmine will begin the front of the building. The fountain is being worked on and Mr. Pinkus commented that he is sure the fountain will look better than ever and thanked Manny and Carmine for their outstanding work.

SOCIAL CLUB;

Ruth Steinberg said that on June 25th there will be an outing. A bus will bring people to the Mardi Gras Casino, which has a New Orleans motif. The trip is \$10.00 per person and people will be given a \$7.50 food voucher. She said she had already been there and it is a terrific place! On July 4th Spooky Jones will be playing around the pool but the food so far has not been decided upon. She invited everyone to join in what will definitely be a fun time.

Mr. Pinkus in an aside thanked a resident named Jed who fixed our sound system.

WELCOMING COMMITTEE;

Sy Kessler gave his report:

The following are the sales and rentals:

Unit 1122 Sale Fraser to Robinson for \$435,000.

Unit 1216 Lease to Bunyatov

Unit 915 Sale Bahrami to Falcone for \$264,000.

Unit 102 Lease to Rincon

Unit 1702 Lease to Duncan

Unit 2123 Lease Byron & Matthews

Unit 1520 Lease to Morgan
Unit 2109 Purchase Biss to Katz for \$340,000. Unit 1405 Lease to Francioni
Unit 512 Lease to Lachs
Unit 1415 Lease to Alvarez
Unit 527 Purchase Falik to Rindner \$365,000 Unit 1627 Lease to Kohen/Mohle
Unit 1601 Purchase LLC to Archival \$210,900.

He said there are certainly more renters than buyers which is a sign of the times yet six (6) purchases have been made in this time period.

Death Notices were as follows:

1710 Estelle Brozen
1626 Florence Berkowitz
810 Ana Newman
1514 Bertha Miller
812 Rose Miller
901 Jerry Weiss
620 Modesto Bobillo
618 Milton Beer
Unit 626 Rose Smith

Mr. Kessler then asked everyone to stand for a minute of silence.

PRESIDENT'S REPORT:

Don Pinkus reviewed the extensive newspaper coverage in Miami Herald and Sun Sentinel which the wrong doing at Parker Plaza received. He admitted that he knew much more than he could say in the beginning and he was relieved that at last everyone knew the truth about what had gone on and wouldn't find what else he was going to tell us shocking. He has copies of the 4 arrest/probably cause warrants and people can read them if they wish to. He explained how the new Board began to look for records and found that an unbelievable amount of records were missing. After 3 months of in house investigation it was discovered that the following documents were "missing". 9 documents relating to a specific line of credit and it's conversion into a 30 year loan; contracts for some major repairs; a portion of correspondence with banks, vendors, etc.; audits for 3 years income tax returns for 4 years; bills from the decorating projects and some minutes of meetings. Then a contractor came forward and related a series of events about a pay back scheme. We then took this information to Detective Williams of the Hallandale Beach Police Department Economics Crime Unit. Williams investigated and found sufficient evidence and called the Florida State Department of Law Enforcement and the Florida State Attorneys Office. At this point our ex-manager, Valerie Davis came forward and turned states evidence. Her testimony put "teeth" into our case and with this testimony the State Attorney accepted our case. When other contractors who work at Parker Plaza were confronted with our evidence and they turned states evidence which further allowed us to piece together a very complicated picture of what transpired. Our attorney, Lisa Herman subpoenaed banks and corporate records needed to complete a

paper trail. Many items we believe were shredded but progress is being made in this area now. With this information and lots of help from Detective Williams and hard work by Sy Kessler, Julie Fisher and Don Pinkus to mention a few, the investigation continues and another warrant will be issued shortly. There is a lot more information which has been given to the State Attorney regarding players of the kick back scheme, the elections and other areas which are being investigated now and more arrests will probably follow. At this point Mr. Pinkus asked his wife, Ellie Pinkus, to read the Joseph Greenberg arrest warrant. At the conclusion of this reading Mr. Pinkus told the audience that this is a reality and people living in this building are guilty of what happened.

Next Mr. Pinkus discussed the 11 million dollar loan with Banco Popular. He said progress is being made. Our attorney, Lisa Hermann, requested from Harold Blinder, Senior Vice President of Banco Popular copies of attorney opinion letter and letters describing use of borrowed funds so we can validate the lines of credit which led to the consolidated loan for 11 million dollars. Another of the Vice Presidents, Mrs. Hynes declined and instructed us to get copies of these papers from our prior attorney, Craig Savage. Hermann requested this information from Savage in writing but Savage has not responded. Approximately 3 weeks ago we filed a complaint with the Controller of the Currency, Administrator of National Banks and we obtained a case number and prepared to go to Washington D.C. to see the Administrator. A few days later the Banco Popular records department in Kentucky called stating they would be more than happy to comply with our request for documents. While waiting for these records Mr. Pinkus had a conversation with Det. Williams relating to him that only after pressure from the Controller did Banco Popular decide to cooperate with us. Det. Williams said he would like to help us investigate the 11 million dollar aspect of this case. A week ago Banco Popular called saying they found some documents relating to an earlier line and credit and asked for more time to continue the search. We discussed this with Lisa Hermann and she advised us to let them have the extra time so that we can show authorities that we gave the bank lea way to find documents, this paints us in a good light. Our next step will be to confront the bank with the lack of documents because we know they will not have them Don Pinkus then fielded questions.

Mr. Pinkus then reported on Valerie Davis. In her sworn statement to the Florida State Attorney, Davis supplied facts which were later confirmed by contractors. She spoke of kick backs, inflated contracts, 50% deposits on work never started, supposed jobs with no plans, no prints, no firm quotes, etc. Without her testimony contractors would not have come forward and we would be very far behind in the investigation. Davis made an offer through her attorney to pay us \$100,000, which is on deposit in her lawyers escrow account, for limited immunity. Limited immunity is means she will not be prosecuted for any participation she had in anything she has told us...she is only immune for what she tells us but not for anything else which may be discovered during the course of the investigation. She has already testified 3 times in front of the State Attorney and many of the items we are reading in the newspaper are a result of her testimony. Mr. Pinkus asked for comments and opinions from the audience regarding giving Davis the limited immunity. A lengthy discussion then ensued. Both pro and con comments were made and then Mr. Pinkus asked the Board for a motion to accept the proposal. The motion

was seconded and passed – we will accept the \$100,000 from Valerie Davis for limited immunity.

People made comments and asked about the \$100,000 to which Mr. Pinkus told them he had a plan.....

Mr. Pinkus said he had good news and bad news. Parker Plaza has two (2) 36 year old water boilers which operate on less than 45% efficiency. Number 2 boiler does not operate at all and the cost to repair it is \$22,000. The number 1 boiler is attended to sometimes as many as three time nightly and our security people and maintenance staff are taught how to keep them running. Essentially we are nursing number 1 boiler along. Mr. Pinkus went on to explain the advantages of having new boilers. This, he said is the bad news. The good news is that the cost to replace the boilers is between \$130,000 and \$160,000. Parker Plaza has \$67,000 from the sale of scrap aluminum and now has another \$100,000 from the Valerie Davis settlement, (which was ear marked for projects). His plan is that we purchase new boilers. Since this would be a repair/replacement the Board could make this decision among themselves, but he wanted to ask the unit owners what they think. People spoke and gave opinions – all favorable. Mr. Pinkus then asked for a motion to install new boilers, after an engineering report was studied and that the new boilers not exceed a cost of \$163,000. The motion further states that a meeting be called so unit owners can see the new boilers proposed and ask questions etc. The motion was made and seconded and unanimously carried.

Someone asked about a news letter and Mr. Pinkus said he had a prototype of one on his desk but had not time yet review it but a news letter is a good idea and it's just a matter of time until we have one. Someone else asked if the rumor is true that the entire building will be repainted once the window project is complete and he said no the entire building will not be repainted but there will be touch- ups wherever necessary.

OLD BUSINESS:

Jose _____, reported that the final inspection of impact glass window and door are being done now. Further inspections are being made to determine if the balconies need any concrete work, railing work and touch up painting. These repairs will be made as necessary.

Mr. Pinkus asked that everyone cooperate and let the inspection teams in. There are some loose railings and limited concrete work that needs to be done and we need to finish this project and be done with it so let the inspectors in.

It was pointed out that the agenda was not completed and that there still remained the reports on Hitner and the dumping of construction waste.

With regard to the Hitner employment settlement Mr. Pinkus explained that part of Bob Hitner's employment contract with Parker plaza there was a mediation clause. Hitner was dismissed for cause. We went into mediation and the ruling was in Hitner's favor so

Parker Plaza paid Hitner 3 months salary. Mediation is strictly an employment issue and not to be confused with the criminal case. We will put a claim in for repayment of this money in the criminal case.

As to the illegal dumping of construction waste. Parker Plaza provided dumpsters for glass waste dumping and other materials for this project and residents have been dumping personal items in these dumpsters. This is not for residents to use in disposing of furniture or other large items. If furniture or other large items need disposal Mr. Pinkus asked people to come to the office to arrange for this and explained they needed to share in the cost of dumping. Other, smaller items can be broken up and placed in appropriate dumpsters.

The storm well project is complete on the beach. They passed inspection by the Environmental Protection Agency and the City of Hallandale Core of Engineers.

The Fountain Project Jose _____, explained is finally coming along and now we are at the place where a committee is needed to select the tile.

Mr. Pinkus told everyone that a new pool heater was to be installed and that the cost of this was factored into the new boiler project.

GOOD AND WELFARE:

A question was asked about when a replacement window and frame would be available for this unit owner. Originally the glass was installed too tightly and became damaged. He was told that his new window and frame would be in next week – he was also worried about the caulking being done properly and Mr. Pinkus assured him that Parker owes a substantial amount of money to the contractor and therefore not to worry.

Another unit owner questioned the amount of screws used to install the door. He was worried the window would collapse in. Mr. Pinkus assured him that an engineer surveyed the building and then prescribed the method of installation. He went on to say that Parker installed more screws above and beyond what the engineer called for. The windows and doors can with stand 140 mile per hour winds. There is no need for concern.

Someone asked when the common areas would be begun and was told the common area installations would begin next week and take a few weeks to complete.

When will we get certificates to present to our insurance companies for discounts another unit owner asked...Mr. Pinkus told her for \$50 she could get one immediately but if she waited until the inspection process was complete she could have one for free and he joked that he was waiting.

Lastly, someone inquired about what if anything was happening with The Regency. Rumors abound but no one knows. The opinion most heard is that they couldn't raise the necessary money to begin the project.

At this point Mr. Pinkus invited everyone for coffee and cake to celebrate Helen and Harry's anniversary.

Mr. Kessler made a motion to adjourn, it was seconded and passed.

Respectfully submitted,

Sy Kessler, Secretary