

Condominium of Parker Plaza Estates, Inc.

Special Budget Meeting
Of
Board of Directors
August 6, 2008
In Plaza Room at 7:30 p.m.

Call to Order:

President Duque welcomed everyone and explained that only one subject was on the agenda and that is the 2008-2009 budget.

Roll Call:

Present were: Linda Shamlian, Bob Ortiz, Sy Kessler, Homero Duque, Arlene Lippel and Albert Mizrahi on the telephone.

Absent were: Alan Goren, Wendy Rosen and Johnny Pekats.

Mr. Duque introduced Boris Moroz, Chairman of the Budget Committee. Mr. Moroz explained that this meeting was to approve the mailing to unit owners of the proposed 2008-2009 Budget.

On July 30, 2008, Mr. Moroz chaired the budget committee meeting. Present at the meeting were Angela DiGiovanni, Julie Fisher, Al Mizrahi (by telephone), Bob Ortiz, Emma Sardina and Julio Ortiz.

Mr. Moroz explained in detail the expenses on the budget and showed that they were almost identical to last year.

Below is a synopsis of the proposed budget based on its various categories:

Proposed Expenses:

Fixed Contracted Services	\$847,260
Utilities	963,165
Building Maintenance	190,800
Special Projects	168,000
Payroll, Taxes, Benefits	687,700
Administrative	829,590
Loan Payment	857,630
Total Expenses	<u>\$4,544,145</u>

Mr. Duque told the audience that there was one more item to be discussed. Mr. Duque and Don Pinkus went to see our attorney, Lisa Hermann, yesterday to discuss the Banco Popular situation. He turned the floor over to Mr. Pinkus who explained that our case with the bank, which is only a State chartered bank, has been moved from the Office of Currency Control to the Federal Reserve Board and based upon that Lisa Hermann wants to include Banco Popular in our existing civil suit. We therefore need to approve the action by Ms. Hermann to subpoena the records from the main office of Banco Popular. Mr. Kessler made a motion to go ahead and allow Lisa Hermann to expand the civil suit to include Banco Popular. The motion was seconded by Bob Ortiz and passed unanimously.

A motion was then made to adjourn the meeting, this too was seconded and passed unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sy Kessler", with a horizontal line underneath it.

Sy Kessler
Secretary
Board of Directors
Parker Plaza Estates

BUDGET COMMITTEE REPORT

to

PARKER PLAZA CONDOMINIUM BOARD OF DIRECTORS

August 6th, 2008

The meeting of the Budget Committee took place on July 30, 2008, in the Plaza Room, at 7:30 pm. Boris Moroz chaired the meeting. The following committee members were in attendance: Angella DiGiovanni, Julie Fisher, Albert Mizrahi (via phone hook-up), Boris Moroz, Bob Ortiz and Emma Sardina. Also present was condo manager Julio Ortiz.

Our committee is charged with making recommendations to the Board of Directors for the proposed budget for fiscal year October 1, 2008 to September 30, 2009. We were encouraged by the presence and participation of a fair number of interested unit owners. Our job was made easier by the help of our manager Julio Ortiz and his staff, by the input and computer savvy of our treasurer Albert Mizrahi and the meticulous information keeping of Julie Fisher.

Through their efforts, and many prior conferences held, we were able to compile the budget work sheets used at the meeting. (They are enclosed herein). They show itemized income and expenses from last year's budget and projected budget for fiscal year 2008-2009. All categories and items were gone over carefully, discussed and approved for presentation to the board of directors. Listed below is a synopsis of proposed budget based on its various categories.

Proposed Expenses:

Fixed Contracted Services	\$847,260
Utilities	963,165
Building Maintenance	190,800
Special Projects	168,000
Payroll, Taxes, Benefits	687,700
Administrative	829,590
Loan Payment	857,630
Total Expenses	<u>\$4,544,145</u>

Proposed Income:

Application Fees	\$ 6,000
Late Fees	6,000
Laundry Room Income	24,000
Miscellaneous Income	30,000
Rentals	42,000
Repairs/Work Orders	42,000
	<u>\$150,000</u>
Less Uncollected Maintenance Fees	(79,975)
	<u>\$70,025</u>

Net Expenses: Proposed Total Maintenance Fees \$4,474,120

Please note that the proposed maintenance fees are identical to last year's.

The proposed budget is straightforward and without frills, and aims to meet our basic needs. Here are some of the more important changes and/or additions:

We have projected the following increases in utility charges: electricity 8%; gas 5%; water & sewer 5%; cable 5% starting July, 2009, as per new contract.

Waste removal charge was also increased by 5%.

Special projects includes only the cost of that portion of work on storm water wells to be done during the next fiscal year (not the total cost of this project).

All risk insurance increase in June, 2009 is due to the fact that our insurance renews at that time, and that a special reduction we received this year will no longer be valid.

Explanation of new item "Maintenance Fees - Unit 104 (Office)" in administrative expenses: Our Declaration of Condominium has assigned to each unit a share of common expenses, as unit types A, B, C, D & E, totalling 520 units. Additionally unit 104 (an office unit) was assigned a .0022440 share of maintenance. Based on proposed maintenance of \$4,474,120, unit 104's share of maintenance will be \$9,800 per year, or \$2,450 per quarter. Since unit 104 is being used as our condo office, this sum was shown as administrative maintenance fee for unit 104.

Even though we have waived the inclusion of reserves in our budget, our proposed budget must show reserve calculations and figures of what the maintenance fees would have been had we included the reserves. Both sets of maintenance fee schedules are included in this report.

The time frame for further action, notices and board meetings to finalize the budget are as follows:

Board approval for mailing notice of board meeting to approve budget - August 6, 2008 (This notice to include copy of proposed budget and reserve schedule).

Mailing of material to unit owners - August 7, 2008.

Board approval of budget - September 10, 2008.

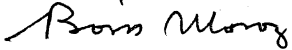
Mailing of approved budget to unit owners - September 11, 2008.

A budget is an ongoing process, not just a year-end item. Our budget must be monitored monthly so we can detect any unforeseen and drastic variances early. Our manager is contemplating accounting procedure changes to enable us to get this information on time.

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In conclusion let me, on your behalf, voice a few words of appreciation to the entire budget committee for their input and untiring effort in formulating a financial plan for the future. It has been my privilege to act as your chairman. This joint venture of ours was truly a labor of love.

Respectfully submitted,



Boris Moroz, Chairman