



Special Board Meeting

May 27, 2020

President Joe Venezia called a Special Board Meeting via teleconference in reference to the letter from the DBPR and our response. We started the teleconference at 3:38 EST even though the conference line was opened at 3:30 EST. Notice of Meeting was posted on Sunday May 24th.

All board members were on the conference call except for Sheri Cohn. In addition, the following owners participated as well:

Paul, unit 305
Mark, unit 218
Sheila, unit 203
Kimberly, unit 412
Chuck, unit 415
Elena, unit 101
Julie, 104
Aquina, unit 312
Clara, unit 306
Lee, Unit 113
Dean, unit 105

If there were other owners on the line, they did not announce their presence.

Joe stated the original intent of this Special Board Meeting was initially set to make a motion to vote Aye or Nay on our decision to pay the fine levied by the DBPR. However, after realizing we did not receive the last 3 pages of the DBRP complaint, and after reviewing those, we are appealing and no vote/decision is required. We chose to conduct the meeting as scheduled and make it informational instead.

In summary, several months ago, a complaint was sent to the Department of Business and Professional Regulations (DBPR) by an owner stating some infractions by Seacoast. There was an investigation done by the DBRP and Mike

and Dan met with the investigator in March and then we received a letter from the Department on May 18, 2020. The letter stated that our accountant did not complete the 2018 financial statement and we are appealing because the accountant did complete it and delivered it to us on September 30, 2019. The statute states that the report needs to be available to the owners within 120 days after the fiscal year... it has to be available to owners by April 30th of the following year. Our accountant filed for a tax extension which was granted and it was their understanding that the financial statement is submitted at the same time as the Tax Statement. Mike has had the 2018 financial statement as of Sept 30, 2019 and available to any owner that makes the request. In addition, in the future, it will be available on the Seacoast Owner web page. 2018 will be posted by the end of the week.

The Order stated we never had a financial statement...or never completed it, but we did complete it and it is in our hands.

They cited us for the 2019 Financial Statement as well. If we signed the consent order we were basically waiving our right to an appeal but we didn't want to do that because 2019 is being prepared at this time. Our accountant again filed for a Tax Extension for 2019, in part due to the pandemic and is preparing both our tax return and the financial statement at the same time and it will be available, on line, when received.

These were the 2 infractions the DBPR addressed in the order but no other issues were discussed in the letter as of this writing although the owner addressed other concerns in the complaint. We were levied an \$1800. fine for those two infractions. Our plan is to write the appeal letter, in light of additional information received, so we are not paying the fine at this time, until we hear back from them.

Joe asked Dan and Mike Bono if they wanted to add anything. Mike B said it was stated correctly and Joe will represent us at the appeal. Jack stated that since we are appealing, he wants to make sure it was written in a timely manner. It will be sent certified mail to insure we meet the 21 day timeframe to respond back to them. The letter has been written and signed and ready to be mailed by certified mail. Jack agreed with all the actions we are taking.

Dean Sheehan advised that he is very satisfied with all that Mike and the board does and understands these two complains but was wondering if Joe could elaborate on the other matters that were addressed in the complaint.

Joe advised one of them had to do with the RSF which was discussed several times at our board meeting and the RSF is legal and above board. The 2nd item addressed

dealt with the election ballot results being counted in Mikes office and not in front of everyone. Our Declarations also state that our board can be comprised of 3-9 board members but we choose to have 7 which are part of our docs. Most were protocol issues and none of these issues were addressed by the DBPR.

Dean also asked why the financial report and the taxes aren't done in a 4-month period and why they asked for extension. Joe stated in 2018 it was because of their workload and nothing to do with us. Corporate taxes are not due until September and although the financial statement is due not more than 120 days after the end of the fiscal year. Mike has a copy of all the correspondences in the office and they may be reviewed. Dan stated the letter from the complainant was given to Board after the February 20th meeting was adjourned and Dan initialed it. Dean also asked if we need to inform our CPA of the dates the financial report is due. Joe advised that this was already addressed with the accountant so they are aware, but it has never been addressed as an issue.

We have reached out to our accountant to insure they produce the financial statement on time, in April, and not with the taxes.

Mike Bono advised that these are 2 separate issues, and we must insure this is done in the future. The taxes are due separate and apart from the deadline of the financial statement. Dan did talk to the accountants and they will meet the deadline in the future. However, due to the Pandemic and offices being closed etc, they will be delayed but we do not have a date for the 2019 at this time. Joe reiterated that all owners will be made aware in 2020 when the 2019 financials are received and will be posted on the website when received. We hope to have them by our next meeting on June 20th.

If there are no other questions regarding this matter, Joe thanked everyone for support and participation.

Sheryl made a motion to adjourn at 4:04, Jack seconded and the meeting was adjourned.

Respectfully submitted,

Sheryl Kolessar
Secretary

