

**Minutes of a SPECIAL MEETING of the
CVE Master Management Board of Directors
Monday, February 26, 2007**

A regularly scheduled meeting of the CVE Master Management Board of Directors was held on Monday, February 26, 2007 at 9:30 AM.

Roll Call – The following 14 members were in attendance: Don Kaplan, John Caliendo, Jules Kesselman, Dorothy Caplan, Luella Reaume, Connie Cocolla, Harry Chizeck, Stanley Eig, Donna Dowling, William Morse, Charles Parness, Donna Capobianco and Lou Spitz. Absent (1): Eli Weisberg. Also present: Sergeants-at-Arms Joe D’Ambrosio and Joe Solomon and ex-officio COOCVE President Ira Grossman. The following Chairs/Vice Chairs were present: Clarence Diggs and Fred Sherman.

Reading of the Minutes: This being a Special Meeting, no previous meeting minutes were read.

President’s Remarks:

Master Management Rules & Regulations: Don opened the meeting explaining that Master Management has certain rules regarding roads, signs, grass, lakes and other such items. He reviewed the existing rules and found that there are steps that can be taken if people do not adhere to Master Management’s Rules and Regulations which are specifically stated in the Master Management Agreement written in July 1983, Page 2, Paragraph 5. Under “Rules and Regulations,” it states that Master Management can suspend owners from some or all community services and facilities. Also, on Page 2, Paragraph 4 (f), Master Management can “take legal and other action to enforce compliance with this Agreement and the Rules and Regulations” within.

Master Management Books & Records: However, regarding Master Management books and records, Don said the Board had followed what its legal advisors, Becker & Poliakoff, had told us back in March of 2003. He then referred to a March 31, 2003 letter from Gary Poliakoff which said: “This letter shall confirm the substance of my telephone conversation with Anita Cruz, responding to her correspondence of March 27, 2003 regarding the question of whether the books and records of CVEMM and COOCVE are open for unit owner inspection. I advised that the books and records of COOCVE are open for unit owner inspection; however, CVEMM’s are not.”

Furthermore, Don pointed out, our Master Management Agreement, as well as the Becker & Poliakoff letter, are what the Board has based its actions on. He referred also to Page 5, Paragraph 17 of the Master Management Agreement, which states: “Accountings. The Master Management firm shall not be required to give to owner, or unit owners, any accountings hereunder, at any time, nor shall owner have the right to inspect the books and records of the Master Management firm without the express written consent of, and upon such conditions as specified by the Master Management firm.”

Don again pointed out that the Board has been following the position our attorneys took on the subject, as well as the aforementioned documents. However, upon recent scrutiny, we discovered that Florida Statute 617 is the statute that covers COOVE, Inc. and CVE Master Management, Inc., while Statute 718 covers the condominium buildings. We further discovered that Statute 617 overrides the Master Management Agreement and therefore we can open the Master Management books to any unit owner -- which COOCVE has already done in recent months. He again pointed out that Master Management’s books and records had not been opened to anyone in the past, because of what we had been advised by our Becker & Poliakoff attorneys.

Because we have been following the Becker & Poliakoff position, Don said he felt that time was of the essence and therefore decided to hold this special Board of Directors meeting of Master Management to discuss this important issue.

Don then reported that Bill Morse and Charlie Parness met with Ross Gilson regarding requests to have certain Master Management documents available for inspection – which had been agreed upon at the last regular Board meeting. After their meeting with Ross, Don received a letter from Ross, which he then read to the Board. Ross wrote that for the initial inspection, he requests certain documents to be provided, or “written advice of their disposition and future availability.” The list included management agreements (contracts) involving CVEMM, Ventnor B, Islewood D, Century Service Systems, Century Maintenance and Management, United Diversified Services, Inc. and United Security Services, Inc. In addition, he requested, among other items, all IRS filing documents for the last seven years, all amendments to and/or restatements of the Articles of Incorporation and Bylaws of the corporation.

Don then opened the issue for the Board’s input as to what should be done in response to Ross Gilson’s letter. Don said that he believes the requested documents should be given to Ross, but does not believe it should be necessary to retrieve documents as far back as seven years, which had nothing to do with his leadership. Furthermore, he pointed out that Anita Cruz, Director of Operations and Finance, is out recuperating from major surgery and he does not know how to access all the records that Ross is looking for. Anita is expected back in the office in four to six weeks.

On two separate issues, Don said the following:

- 1) Regarding a question recently asked, as to why Anita had signed IRS reports from COOCVE, he explained that since Anita was the individual who had prepared the IRS documents, she rightfully signed as the “preparer,” and,
- 2) Regarding the two IDs held by Ross Gilson and the accusation that owning two IDs and two apartments is illegal, Don said that CenDeer made that rule, not Master Management.

Don then asked the Board to discuss whether or not to open the books, and if yes, under what terms. Bill Morse said he believes this discussion is wasting time. The laws are specific in Statute 617, saying owners have a right to look at the records. There is no mention of any period of time – seven years, three years, or whatever.

Don Kaplan made a motion to open all Master Management books to unit owners and to distribute information that we do know of and have available now – with the intent that we wait until our financial advisor’s return to the office in approximately three to four weeks in order to access any documents currently not available. John Caliendo seconded the motion. Discussion followed during which Don suggested that Bill Morse and Charlie Parness meet again with Ross Gilson to further clarify what he is asking for. A vote was then taken on the motion, which was passed unanimously.

Charlie suggested that Don obtain a list of documents from Anita Cruz, relating to contracts. Don said he already knows of and has copies of all current contracts with Master Management. If there are other documents needed, these would have to wait for Anita’s return to the office because he has no idea how to locate them.

Payment of Bills: Don said that if the Board were to follow the Bylaws as they are now, then every Board member would have to be called on to vote on any expense to be paid over \$500. He stressed that he did not want people to think that the Board does not know what he is doing and pointed out that he has always told the Board what has been done, and has brought up to the Board for its approval all items for which bids were received and needed to be considered for payment.

Don said he would like a vote of confidence from the Board, showing that it is aware of all bids and works in progress in the Village under his leadership for the past two years. He also needs to know the wishes of the Board regarding how to handle paying bills for services that maintain the operation of CVE: Does the Board want him to come to it with every bill that is higher than \$500, such as FPL, garbage, water, insurance, cable TV, etc.?

Another issue brought up is the matter of who signs Master Management checks. Don said he was told that he (as president) should not sign them; they are to be signed by other Master Management officers and we have five people currently authorized to sign checks. However, there are some situations when checks need to be signed and certain of those individuals are not available, so Don is asked to add his signature.

Getting back to the payment of bills over \$500, Bill Morse said Master Management should be run based on its Bylaws. If we are not pleased with certain points, we need to change the Bylaws. Right now, any bill over \$500 must be brought to the Board for approval. He said we can make whatever changes to the Bylaws that we want regarding disbursements and that such amendments to the Bylaws must be recorded with Broward County.

Don then asked what needs to be done NOW, in the meantime, before any such amendments can be made. He has bills that the Board has already agreed to pay; what should he do about them?

All agreed that the rules need to be changed, but Bill pointed out that whatever is decided today is still contrary to the Bylaws. We still need to make amendments accordingly. He repeated: Any decision made today, is going to be a bad decision, because it is still contrary to the current Bylaws.

Don reminded the Master Management Board that they are aware of all projects being worked on and have been approved by Master Management and also that the Board knows everything that is being spent and what each payment is for. Also, as of February 27th, all projects other than operational expenses will be brought to the Master Management Board for approval -- as has been done in the past.

Lou Spitz made a motion to pay all operational expenses monthly and all information about those expenses be presented at the following Master Management Board of Directors meeting. This was seconded by John Caliendo and was passed with one opposed.

Bill pointed out that the Board holds no meetings during the summer. This means, therefore, that there will be no such expense reports during that period; they will be given at the September meeting.

ByLaws Committee: Don said that a Master Management Bylaws Committee will be formed soon after the COOCVE Bylaws Committee has completed its job. He would like to have the same members of that committee work on the Master Management project.

Other Business:

Stanley Eig wanted to make a motion to appoint Bill Morse as Controller of Master Management. He was told by Don that such position is not stated in the Bylaws.

Don informed the Board that 700 families have not yet paid their annual insurance bill.

Jules Kesselman made a motion to adjourn the meeting. This was seconded and passed unanimously. The meeting was adjourned at 10:55 A.M.

Respectfully submitted,

Elly Rakowitz, Recording Secretary