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March 3, 2022

All Homeowners
The Cove Homeowners Association
of Seminole County, Inc.

Re: Special Membership Meeting of March 22, 2022
Our File No. : 14-9017

Dear Homeowners:

As you are aware, the County Court previously entered Judgments against the Association finding that the Association lacked the authority to require either the Goodmans or the Wangs to relocate their fences despite the fact that those fences were originally installed without the Association's approval or consent. As a result of these adverse rulings, the Board of Directors ultimately decided that rather than appealing the trial Court's decision, they thought it would be best for the entire community to just bring this matter to a resolution by negotiating and settling the Wangs' and Goodmans' attorney fee claims for an amount which is fairly and properly reflected in the records and documents supplied by them.

As a result, the Association has agreed to pay the Goodmans' five sets of attorneys the sum of \$72,468.85 as full and final settlement of any and all claims that the Goodmans might have against the Association. They have also agreed to pay the Wangs their attorney fees in the amount of \$47,739.35, for a total of \$120,208.20. While no one would dispute that this is a significant amount of money, because of concerns over additional exposure that might have existed to the Association had the parties gone to a hearing on attorney fees, as well as the cost of prosecuting an appeal, the Board decided it was better for the entire community to resolve this issue now, rather than exposing the Association to further legal fees and expenses.

As a result, while the Board has been exploring various options to pay this judgment, including borrowing money from a financial lender who specializes in making loans to Community

Associations like yours, if such loans cannot be procured, then one option available to the Association is to borrow the funds from the reserve accounts that are currently being held in protected accounts for future repair, replacement and maintenance of the common areas. By taking the money from the reserve accounts, the Association would not have to impose any special assessments against any homeowners to cover these fees and costs.

As a result, the Board of Directors has scheduled a special membership meeting for March 22, 2022, at 6:30 p.m. This meeting will take place at the Lake Mary Community Center located at 104 East Wilbur Avenue in Lake Mary, Florida. The sole purpose of this meeting will be to either vote in favor of or against allowing the Association to utilize reserve funds to pay these settlement amounts.

As a result, the Board of Directors would urge you all to appear at the special membership meeting in order to cast your vote in favor of the Settlement Agreement and allow the Association to transfer the funds from the reserve accounts to the operating accounts to pay these amounts.

Please be advised that in the event the membership do not give approval to the Board to transfer these funds, then the Association will have to look at other options to pay the Judgment, including imposing a special assessment to cover this settlement amount.

As this matter is important to the entire Association in resolving these disputes and moving on, your Board would urge you all to attend the March 22, 2022 meeting. However, should you wish to discuss this matter further, I would urge you to contact any of your Board members.

XX This meeting is a must to attend. By Homeowners.

Sincerely yours,



for Daniel F. Pilka

DFP/mw

If you would like more info call
ONE of the BOARD MEMBERS
Brendan - Pres. 407-474-8202
Carlos - Sec. 321-747-7041
Ron - Dir. 407-718-7483
We would be more than happy
to speak to the Homeowners