

FORM 6 HIGHLIGHTS AND LOWLIGHTS

Presentation to Town of Palm Beach
October 12, 2023

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FINANCIAL DISCLOSURE AMENDMENTS

- State law currently requires local public officials and employees defined as reporting individuals to file financial disclosure Form 1 with their County Supervisor of Elections by July 1st for the prior calendar year.
- The information disclosed on Form 1 is limited to identifying sources of income, assets and liabilities in excess of certain thresholds, without detailing the amounts.
- Conversely, CE Form 6 is referred to as a full and public disclosure of financial interests and did not have to be completed by municipal reporting individuals.
- A bill passed by the Florida Legislature will mandate that municipal elected officials file Form 6, beginning January 1, 2024, instead of Form 1 they are currently required to file. Other local reporting individuals will not be impacted by this change, and they will continue to file Form 1.

APPLICATION TO 2024 MUNICIPAL ELECTIONS

- Uniform municipal elections exist in Palm Beach County, which means elections in all municipalities are held on the same date. For 2024, it's March 19th.
- Qualifying period is prior to January 1, 2024. Therefore, candidates will submit Form 1 with other qualifying documents.
- Any individual remaining in office after January 1, 2024, or elected/re-elected or appointed in 2024, will have to file Form 6 by the annual reporting deadline (July 1st).

OVERVIEW OF FORM

- Form 6 filers must disclose their net worth as of December 31st of the prior year, or use a more current date, and must also specifically identify the value of each asset and liability in excess of \$1,000. The value of household goods and personal effects may be aggregated and reported as a lump sum.
- The disclosure must be accompanied by filing a sworn statement identifying each separate source of income exceeding \$1,000 or by submitting a copy of the reporting individual's most recent federal income tax return. Additionally, persons required to file a Form 6 must disclose interests in specific businesses operating in the state of Florida. If applicable, Form 6 filers must file quarterly reports naming clients represented for a fee before agencies at the filer's level of government.
- The financial interests of a public officer's spouse need not be disclosed.

ASSET CATEGORIES

- Real property
- Intangible personal property
- Jointly held assets
- Partnerships
- Trusts
- Life insurance

ASSET VALUATION

- Real property may be valued at its market value for tax purpose and marketable securities widely traded should be valued based upon closing prices on the valuation date.
- Accounts, notes and loans receivable should be valued at fair market value, presumed to be the amount the filer reasonably expects to collect.
- For closely-held businesses, any method of valuation is acceptable, but the one that most closely approximates fair market value is preferred.

LIABILITIES

- The name and address of the each creditor to whom the filer owed more than \$1,000 on the date chosen for disclosing the official's net worth and the amount owed must be reported. A filer is not required to disclose liabilities that are solely the responsibility of the filer's spouse.
- Liabilities are generally defined as accounts, notes, notes and interest payable, debts or obligations (excluding taxes, unless reduced to a judgment).
- Credit card, retail installment accounts and contingent liabilities to do not have to be reported.

REPORTING INCOME

- Income falls into one of two categories: primary sources of income and secondary sources of income. A primary source of income is defined as each source of income that provided the filer with more than \$1,000 during the prior year. The income of filer's spouse need not be disclosed. If, however, there is joint income to the filer and spouse from property owned jointly, then such income should be included.
- Income has the same meaning as gross income for federal tax purposes, even if the income is not actually taxable. The definition of income includes: compensation for services, gross income from businesses, gains from property dealings, interest, rents, dividends, pensions, IRA distributions; distributive share of partnership gross income, and alimony. Where income is derived from a business activity, the filer should report the income to the filer, rather than the income to the business.

SECONDARY SOURCES

- Secondary sources of income are derived from major customers, clients and other sources of income to businesses in which filer owns an interest. However, income from a second job should be reported as primary source of income.
- The filer has nothing to report as a secondary source of income unless the filer owns more than 5% of the total assets or capital stock of a business entity doing business in Florida and the filer received more than \$1,000 in gross income from that business entity during the period.

INTERESTS IN SPECIFIED BUSINESSES

- A filer who owns or owned (directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of specified businesses identified by state statute must be disclosed. If the filer has less than a 5% stake in such businesses, no disclosures are required, unless the filer served as officer, director, partner, proprietor or agent for one or more these businesses during the reporting period.
- The list of specified businesses include those in heavily-regulated industries, banks, and utilities.

2022 Form 6 - Full and Public Disclosure of Financial Interests – Governor DeSantis

Filed with COE: 06/30/2023

General Information		
Name:	Hon Ronald Dion DeSantis	
Address:	700 N Adams St, Tallahassee, FL	
32303	PID 275100	
County:	Leon	
AGENCY INFORMATION		
Organization	Suborganization	Title
Department of Economic Opportunity	Board of Directors, CareerSourceFlorida	Governor
Enterprise Florida, Inc	Board of Directors	Governor
Office Of Governor	Elected Constitutional Officer	Governor

Net Worth
My Net Worth as of <u>December 31, 2022</u> was \$ <u>1,174,331.07</u> .

2022 Form 6 - Full and Public Disclosure of Financial Interests

Filed with COE: 06/30/2023

Assets	
Household goods and personal effects may be reported in a lump sum if their aggregate value exceeds \$1,000. This category includes any of the following, if not held for investment purposes: jewelry; collections of stamps, guns, and numismatic items; art objects; household equipment and furnishings; clothing; other household items; and vehicles for personal use, whether owned or leased.	
The aggregate value of my household goods and personal effect is <u>N/A</u> .	
ASSETS INDIVIDUALLY VALUED AT OVER \$1,000:	
Description of Asset	Value of Asset
FRS (Retirement Date Fund 2045)	\$ 54,720.58
Thrift Savings Plan	\$ 91,719.79
Checking and Savings Bank Accounts (USAA)	\$ 1,046,519.36

Liabilities		
LIABILITIES IN EXCESS OF \$1,000:		
Name of Creditor	Address of Creditor	Amount of Liability
Navient/Sallie Mae	123 Justison St., Ste. 300, Wilmington, DE 19801	\$ 18,628.66
JOINT AND SEVERAL LIABILITIES NOT REPORTED ABOVE:		
Name of Creditor	Address of Creditor	Amount of Liability
N/A		

Income			
Identify each separate source and amount of income which exceeded \$1,000 during the year, including secondary sources of income. <input type="checkbox"/> I elect to file a copy of my 2022 federal income tax return and all W2s, schedules, and attachments.			
PRIMARY SOURCES OF INCOME:			
Name of Source of Income Exceeding \$1,000	Address of Source of Income	Amount	
State of Florida	The Capitol, Tallahassee, FL 32399	\$ 141,400.20	
HarperCollins Publishers LLC	195 Broadway, New York, NY 10007	\$ 1,250,000.00	
SECONDARY SOURCES OF INCOME (Major customers, clients, etc. of businesses owned by reporting person):			
Business Entity	Major Sources of Business Income	Address	Principal Business Activity of Source
N/A			

Interests in Specified Businesses		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #e0e0e0;"> <th style="padding: 5px;">Business Entity # 1</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">N/A</td> </tr> </tbody> </table>	Business Entity # 1	N/A
Business Entity # 1		
N/A		

Training
<input checked="" type="checkbox"/> I certify that I have completed the required training under Section 112.3142, F.S. <input type="checkbox"/> Required training under Section 112.3142, F.S., not applicable to filer for this form year.

Signature of Reporting Official or Candidate

Under the penalties of perjury, I declare that I have read the foregoing Form 6 and that the facts stated in it are true.

Ronald Dion DeSantis

Digitally signed: 06/30/2023

Filed with COE: 06/30/2023

ENFORCEMENT

- Failure to file – Daily fine of \$25, commencing on September 1st, maximum total fine -- \$1,500 (per form)
- If form is not filed by November 1st, Florida Commission on Ethics staff authorized to file complaint against non-filer to remove person from office

MISCELLANEOUS PROVISIONS

- Deadlines and sanctions: When effective for municipal officials, will have to file form electronically with Florida Commission on Ethics. An automatic fine of \$25 per day up to a maximum of \$1,500 will be assessed against an official who files a financial disclosure form after September 1st. The failure to file a financial disclosure form can also result in disqualification from being on the ballot, suspension or removal from office or a civil penalty not to \$20,000.
- Dismissal of de minimus violations: The Florida Commission on Ethics is authorized to dismiss complaints or investigations of de minimus financial disclosure violations for inadvertent and unintentional errors.
- Higher civil penalty: The maximum civil penalty will increase from \$10,000 to \$20,000.
- Vacation of office: An elected local officer who currently files a Form 1 but leave office after December 31, 2023 before the expiration of his or her term, will be required to file Form 6x within 60 days of leaving office.

CONTACT INFORMATION

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