

FLORIDA
COMMISSION ON ETHICS
JUL 09 2014
RECEIVED

STATE OF FLORIDA
COMMISSION ON ETHICS
P. O. DRAWER 15709, TALLAHASSEE, FLORIDA 32317-5709

COMPLAINT

1. PERSON BRINGING COMPLAINT:

Name: Joe Gruters Telephone Number: [REDACTED]

Address: Post Office Box 5070

City: Sarasota County: Sarasota Zip Code: 34277

2. PERSON AGAINST WHOM COMPLAINT IS BROUGHT:

Current or former public officer, public employee, candidate, or lobbyist - please use one complaint form for each person you wish to complain against:

Name: Charlie Crist Telephone Number: 727-804-8035

Address: 1 Beach Drive

City: St. Petersburg County: Pinellas Zip Code: 33701

Title of office or position held or sought: Governor of Florida

3. STATEMENT OF FACTS:

Please explain your complaint fully, either on the reverse side of this form or on additional sheets, providing a detailed description of the facts and the actions of the person named above. Include relevant dates and the names and addresses of persons whom you believe may be witnesses. If you believe that a particular provision of Article II, Section 8, Florida Constitution (the Sunshine Amendment) or of Part III, Chapter 112, Florida Statutes (the Code of Ethics for Public Officers and Employees) has been violated, please state the specific section(s). Please do not attach copies of lengthy documents; if they are relevant, your description of them will suffice. Also, please do not submit video tapes or audio tapes.

4. OATH

I, the person bringing this complaint, do depose on oath or affirmation and say that the facts set forth in the foregoing complaint and attachments thereto are true and correct to the best of my knowledge and belief.

STATE OF FLORIDA
COUNTY OF SARASOTA

Sworn to (or affirmed) and subscribed before me
this 8th day of JULY

20 14, by JOE GRUTERS
(name of person making statement)

[Signature]
(Signature of Notary Public - State of Florida)

DANIEL L. BILYEU
NOTARY PUBLIC
STATE OF FLORIDA
Notary Public
Commission # EE220147
Expires 9/9/2016

Personally Known OR Produced Identification _____
Type of Identification Produced: _____

[Signature]
SIGNATURE OF COMPLAINANT

ATTACHMENT TO ETHICS COMPLAINT

The purpose of this complaint is to highlight the apparent violations of the Florida Constitution (Article 2, Section 8), Florida Statutes (§§ 99.061, 112.344, 112.3145), and the Rules of the Florida Commission on Ethics (Chapter 34-8) by a state candidate for Governor, Charlie Crist. As you are aware, the Florida Constitution requires a candidate for Governor of Florida to provide a “full and public disclosure of their financial interests.” Fla. Const., Art. II, Section 8. Having reviewed the 2013 Commission on Ethics Full and Public Disclosure of Financial Interest Form 6 filed by Charlie Crist (“Financial Disclosure”), it is apparent that he has not provided a full and public disclosure in accordance with state law and Commission rules.

In Part A of his Financial Disclosure, Mr. Crist misrepresents the most fundamental picture of his financial interests, his net worth, by not reporting details of generally known assets and liabilities. Mr. Crist merely subtracted his liabilities reported in Part C from the assets reported in Part B. As noted and underlined in the instructions for completing Form 6, Part A: “Simply subtracting the liabilities reported in Part C from the assets reported in Part B will not result in an accurate net worth figure in most cases.” Mr. Crist’s reported net worth figure falls into the “most cases” category, as is apparent from his portrayal his personal finances to the media. Steve Bousquet, *Charlie Crist insists his newfound wealth hasn’t changed him*, Miami Herald (June 18, 2014) (attached as *Exhibit A*). Although Mr. Crist is willing to share with the media that he leases a Jeep Cherokee and rents a condo at Bayfront Tower on Beach Drive, he is not willing to disclose the details of these lease obligations in his Financial Disclosure. If, in fact, these obligations are not personal obligations of Mr. Crist under the terms of any lease agreement then he is certainly benefitting from the payments of whoever is obligated to make payments for his car and condo which would be either income or a gift to Mr. Crist requiring disclosure. However, no such asset or liability has been reported nor has any gift been disclosed by Mr. Crist. Additionally, Mr. Crist’s Financial Disclosure purports to show that no assets are jointly held by he and his wife, as Tenants in Common, Joint Tenants with right of survivorship, or Tenants by the Entirety. As a result of this failure to substantially comply with financial disclosure obligations, Florida voters do not have an accurate picture of Mr. Crist’s actual net worth.

In Part B of his Financial Disclosure, Mr. Crist provided an attachment which purports to list his assets worth more than \$1,000. However, Mr. Crist reported \$0 in liabilities in excess of \$1,000 and \$0 in joint and several liabilities in Part C which does not accord with his own public admissions of liabilities under leases. This failure to report the basics of his assets and liabilities is apparent in the resulting inaccurate net worth figure.

Part D of Mr. Crist’s Financial Disclosure fundamentally misrepresents the nature of his financial relationship with The St. Joe Company by reporting his income of \$182,933 as “The St. Joe Company/Consulting Fees.” The 2012 and 2013 Proxy Statements filed by The St. Joe Company with the Securities and Exchange Commission tell a different story (attached as *Exhibit B* and *Exhibit C*, respectively). The income Mr. Crist received from The St. Joe Company includes not only compensation for “consulting” but also compensation for his service as a Director on the Board of Directors. For the first five (5) months of 2013, Mr. Crist served and was compensated as a Director on the Board of The St. Joe Company. *Exhibit C* at 21, n. 5.

Upon stepping down from the Board, The St. Joe Company paid Mr. Crist a "consulting fee" of \$150,000 for the remaining seven (7) months of the year. Interestingly, his performance of substantially similar services for the entire calendar year 2012 was valued by The St. Joe Company at a comparatively paltry \$31,250. See *Exhibit B* at 20-21 (reporting a "special retainer" paid to Mr. Crist for monitoring developments in Deepwater Horizon litigation, which is included in the total compensation of \$217,507 paid to Mr. Crist in 2012). Thus, Mr. Crist has concealed the full extent of his relationship with The St. Joe Company in his Financial Disclosure.

Further, Mr. Crist fails to break out his sources of income as Primary and Secondary and fails to present them in descending order of value in accordance with Commission rule. Mr. Crist fails to break out his "Dividends" into the individual sources of income of greater than \$1,000 and instead aggregates these sources of income in broad categories of "Fidelity Brokerage/Dividends" and "Fidelity Brokerage/Exempt Interest Dividends." A cursory search of public stock information indicates that that TECO Energy and each of the other mutual fund holdings of Mr. Crist distributes dividends in some form or fashion. In the event a single investment is distributing in excess of \$1,000 in dividends, Mr. Crist is required by Commission rules and statutes to disclose this source of income separately.

In addition, Mr. Crist fails to include "Charlie Crist, LLC" as a secondary source of income despite the fact that his 2013 individual income tax return reports that Charlie Crist, LLC collected \$357,933 in income and incurred \$102,603 in business expenditures. (2013 Individual Income Tax Return of Charlie Crist, attached as *Exhibit D*). Rather, Mr. Crist includes this apparently single-member LLC as an "Asset" with a vague valuation in Part B of his Financial Disclosure. In no way does Mr. Crist report any income resulting from Charlie Crist, LLC and in no way does Mr. Crist reveal the extent of his ownership interest in the entity itself or any of its underlying assets as required. As explained in prior Ethics Commission Opinions, such a business entity must be disclosed as a Secondary Source of Income under Part D and include the name of the Major Sources of Business Income (major clients or customers), the Address of Source and the Principal Business Activity of Source. See *CEO 75-98* (holding that the "source of business entity's income" includes the name, address, and principal business activity of any business customer); *CEO 75-88* (addressing disclosure of a "material interest" in a "business entity"); *CEO 80-64*; and *CEO 77-86A*. Mr. Crist failed to make these disclosures.

Taken together, Mr. Crist's reporting errors and omissions constitute a clear failure to substantially comply with the requirements imposed on him by the Florida Constitution, Florida Statutes, and Commission Rules. I trust that these matters will be thoroughly investigated and that Commission will apply appropriate sanction to Mr. Crist for his failure to comply with your rules, statutes and Florida's Constitution.

Potential witnesses who may have information relevant to this complaint are as follows:

Charlie Crist
Carole Crist
Sanford Horwitz