

Kaitlin Bianchi

From: Chris Johnson <chris@kwru.com>
Sent: Thursday, July 20, 2017 3:12 PM
To: 'Kaitlin Bianchi'
Cc: chriskw@bellsouth.net
Subject: FW: 5500 for Keys Environmental and KW Resort Utilities Corp.

Please cut the check today for

\$3,000 to Pension Services Inc. they will need this ASAP.



Christopher A. Johnson
President
6630 Front Street
Key West, FL 33040
(305) 295-3301
www.kwru.com

From: Lourdes Rodriguez-Morera [mailto:lourdes.rodriguez@pensionnetwork.net]
Sent: Thursday, July 20, 2017 2:36 PM
To: Chris Johnson <chris@kwru.com>
Cc: 'Sheri Lovering' <sheri@kwru.com>; chriskw@bellsouth.net; 'Jeff Allen' <jeff@jeffallencpa.com>; Karla Balbastro - Plan Documents Inc - Support <pdisupport@pensionnetwork.net>; Maria R Hardy <legalsupport@pensionnetwork.net>; Hector Salas <billingsupport@pensionnetwork.net>; New Business Manager <newbusiness@pensionnetwork.net>
Subject: RE: 5500 for Keys Environmental and KW Resort Utilities Corp.

Great! I was able to open.

I reviewed, and discussed. Please let me know if you agree to dividing retainer to:

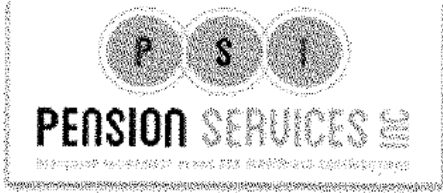
\$2,000 Keys Environmental
\$3,000 KW Resorts

If you agree we will proceed to send the invoices.

Thanks!

Best regards,

Lourdes Rodriguez-Morera
Attorney



3150 SW 38 Avenue, Suite 900 | Miami FL | 33146
Ph: (305) 595-5500 Ext 226 | Fx: (305) 274-1882
www.PensionNetwork.net

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From: Chris Johnson [<mailto:chris@kwru.com>]

Sent: Thursday, July 20, 2017 2:15 PM


To: Lourdes Rodriguez-Morera <lourdes.rodriquez@pensionnetwork.net>

Cc: 'Sheri Lovering' <sheri@kwru.com>; chriskw@bellsouth.net; 'Jeff Allen' <jeff@jeffallencpa.com>; Karla Balbastro - Plan Documents Inc - Support <pdisupport@pensionnetwork.net>; Maria R Hardy <legalsupport@pensionnetwork.net>

Subject: RE: 5500 for Keys Environmental and KW Resort Utilities Corp.

Lourdes,

My apologies, you were correct the upload to Dropbox didn't happen. I have now uploaded the files and had Sheri go in to see if she could see them, she verified that they are now accessible. Sorry about the inconvenience. To follow up from yesterday, please let me know how you would like me to handle the retainer and I will get this done today.

<https://www.dropbox.com/> 



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President
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From: Lourdes Rodriguez-Morera [<mailto:lourdes.rodriguez@pensionnetwork.net>]
Sent: Thursday, July 20, 2017 8:42 AM
To: Chris Johnson <chris@kwru.com>
Cc: 'Sheri Lovering' <sheri@kwru.com>; chriskw@bellsouth.net; Jeff Allen <jeff@jeffallencpa.com>; Karla Balbastro - Plan Documents Inc - Support <pdisupport@pensionnetwork.net>; Maria R Hardy <legalsupport@pensionnetwork.net>
Subject: RE: 5500 for Keys Environmental and KW Resort Utilities Corp.

Morning Chris:

I got the DropBox Links from Sheri and was able to download the documents for KW Resorts. Nevertheless, when I go to the link you sent me with Keys Environmental Docs it says the folder is empty.

Thanks!

Best regards,

Lourdes Rodriguez-Morera
Attorney



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From: Chris Johnson [<mailto:chris@kwru.com>]
Sent: Wednesday, July 19, 2017 5:39 PM
To: Lourdes Rodriguez-Morera <lourdes.rodriguez@pensionnetwork.net>
Cc: 'Sheri Lovering' <sheri@kwru.com>; chriskw@bellsouth.net; Jeff Allen <jeff@jeffallencpa.com>
Subject: 5500 for Keys Environmental and KW Resort Utilities Corp.

Lourdes,

For all Keys Environmental Inc. documents, I am sending the Dropbox link here.

Sheri Lovering from my office will send the KW Resort Utilities documents via a link as well.

As I previously mentioned, after a careful analysis and review of the IRS notices you provided, plus the 5500's filed for KW Resorts Plan and Keys Environmental Plans, (original plan that merged and the current plan) we have come up with the following action plan to stop the IRS notices by correcting any mistake that cause to show noncompliance at some point.

First, as you indicated, Keys Environmental had a 401(k) that at some point in 2009, merged with KW Resorts Plan. If the merger was properly executed by Paychex (which in my opinion it was not) final return for the Keys Environmental Plan, should have been done 2009. From everything I know a final return was not filed in 2009. I have tried subsequently to file this without success because it must be filed electronically and the software is finding a conflict and it blocks me from putting in a zero. I tried to file a paper hardcopy but only electronic submissions are accepted and as explained it will not accept a zero.

In order to properly file a FINAL return for Keys Environmental first plan, we would need copy of:

- the Plan Document; **We have sent all adoption agreements and such.**
- Amendments; **I have what looks to be an Amendment executed on 3/15/2006 attached.**

this, to have accurate information as to Plan Name and Plan Number. Further, we need:

- merger documents to determine correct effective date of such; **We have sent all adoption agreements and such.**
- Accounting reports for 2009-2010 for this plan; **Sheri Lovering from my office to provide for KWRU, I will provide for Keys Environmental Inc.**
- Census and recordkeeping reports; **Sheri Lovering from my office to provide for KWRU, I will provide for Keys Environmental Inc.**

*Please note, that the 5500 for 2010 for this plan was filed using EIN for WS Utility. I saw that, **WS Utility Inc. is the parent corporation of KW Resort Utilities Corp (KWRU).**

Second, as to KW Resorts Plan, we see that originally the sponsor of this plan was WS Utility (EIN [REDACTED]) and sometime in 2013 KW Resorts became main sponsor (EIN [REDACTED]). We were able to identify that return 5500 for 2009 was incorrectly prepared. Therefore, we would need to amend returns from 2009 until 2015, using correct name, IRS number and EIN. For us to be able to do this we would need:

- Paychex Annual Accounting Reports from 2009. **Sheri Lovering from KWRU has scanned these in and uploaded them to Dropbox, she will send you the link via email.**

Third, as to Keys Environmental current plan, we see no problem as long as the 002-number assigned to plan is not repeated, meaning that your original plan was not an 002 IRS plan. We are guessing original plan was an 001 plan. **Yes I see evidence that this is true (see 3/15/2006 document) that indicates the original Keys Environmental Inc plan was 001.**

If this is not the case, we might have another issue creating confusion with IRS, since they might be mixing up both plans, if the EIN number, name and IRS identifier number are the same.

In conclusion, we have several compliance issues that need to be addressed in order to correct IRS records. This involves the analysis of filing and reporting forms dating back from 2009 and amending such. Once we have more documentation there might be other issues that would need to be addressed.



Christopher A. Johnson
President
6630 Front Street
Key West, FL 33040
(305) 295-3301
www.kwru.com

KW RESORT UTILITIES CORP.

OPERATING ACCOUNT

P.O. BOX 2125
KEY WEST, FL 33045-2125
PH. 305-295-3301

BRANCH BANKING AND TRUST COMPANY
1-800-BANK BBT BBT.COM

7897

63-9138-2631

PAY TO THE
ORDER OF

07/20/2017

\$

Pension Services Inc.

**3,000.00

DOLLARS

Three thousand and 00/100*****

Pension Services Inc.
3150 SW 38 Avenue, Suite 900
Miami, FL 33146



POSTNET PLUS Check Fraud
Protection \$10 Per Address

MEMO

⑈00007897⑈ ⑆263191387⑆

KW RESORT UTILITIES CORP.

7897

07/20/2017

Pension Services Inc.

Date	Type	Reference	Original Amount	Balance Due	Payment
07/20/2017	Bill	PS7-20-17	3,000.00	3,000.00	3,000.00
			Check Amount		3,000.00

1310000 BB&T Opera

3,000.00

KW RESORT UTILITIES CORP.

07/20/2017

Pension Services Inc.

7897

Date	Type	Reference	Original Amount	Balance Due	Payment
07/20/2017	Bill	PS7-20-17	3,000.00	3,000.00	3,000.00
			Check Amount		3,000.00

1310000 BB&T Opera

3,000.00

KWRU 018316