

Dear Commissioner Carruthers:

Please answer and comment on the following:

Most importantly, how can we the taxpayers of Monroe County trust you to manage our near half a billion dollars of our tax money every year, making complicated decisions, when you cannot even follow the simple instructions on how to fill out your own financial disclosure forms?

Related to that, exactly which of the instructions did you find so “nuanced” that you are further paying a lawyer \$300/hour of our tax money to help you figure them out? Remember, the income from the sale of Pearl's could have been legally reported by appending a copy of your IRS Form 1040.

The value of Pearl's was listed as \$10,000,000. This looks more like the asking price than an appraisal, which rarely comes out an even number. Is it the listing price, not an appraisal? It sold for \$9,500,000.

You report 18 financial numbers rounded to the thousands or even tens of thousands. While it is appropriate to do so for non-financial estimates like furnishings, rarely are items like bank accounts and IRS debts such even numbers, or mortgages, unless they are interest-only instruments. But the principal on the promissory note/mortgage owed by United Street Partners declines from \$1.8 to \$1.7 to \$1.4 million from 2013—2015, indicating it is a principal and interest note. The amortization schedule for such instruments inevitably results in non-even numbers for the balance owed each end-of-month or -year. While it is impossible to show this even-number reporting is in error without seeing your documents, given the inaccuracy of the rest of the reporting, it begs suspicion that these numbers are similarly lax. Are they?

Why did you not report any of the four kinds of income from the sale of Pearl's? Why did you not simply append your form 1040?

Why did you not report the boat?

Why did you not use the Property Appraiser's value for your properties originally?

In February you sent me the following email:

“And here I thought you were some kind of financial expert. Do you really believe I saw a gain of over \$4million from the sale of my guesthouse? What about paying off notes, paying my partner's estate, paying charities, paying bonuses to staff, capital gains taxes? And yes, I did have an IRS liability which I paid off. My financial report accurately represents all my assets and liabilities. I have nothing to hide and have never done anything unethical. I do not know what you intend to gain from attempting to smear my reputation, but what you have done is eliminated any respect I had for you.”

In fact, I had noted the likelihood of your sharing ownership of the guesthouse in my article, as this was a matter of public record on the Clerk's website.

So: do you again think I am a financial expert? Or is your respect for me still eliminated?

Linda Gottwald said you used the same expression towards her when she met with you to discuss the audit. Is this true?

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Do you care to comment on or explain these statements quoted from the closed sessions on SUFA?

10/20/2010 I'm flabbergasted by that audit report.

12/15/2010 Well I'm just anticipating, you know, the emails we're going to be getting about how we're further persecuting Miss Gottwald by doing this. George: We're going to wind up looking like the bad guy if we walk away from it. Heather: Yeah, absolutely.

7/20/2011 It's just for her to take this money out of the county is wrong, period.

Already out \$257,707, \$9,785 fees, legal \$55,727.

4/18/212 16. Well, I just wonder, are we going to be perceived as bullies or not?. . .The thing that I don't want to come out of this is I don't want us to come out of it without the ability to just tell people what they [SUFA] did. Say, you know, if we ever did reach a settlement agreement, I don't want a gag order on the County. You know, I want people to know that they hid the money..

29. . . . I mean, you know, I think if we drop it [the case against SUFA],it seems like, oh, we were wrong all along.

29-30. [Re: spending another \$100,000 on the case, now that it is "game over" after losing in the 3rd Court of Appeals, with the injunction dissolved and losing SUFA's quarter million dollar accounts:] The odds might not be great that we'll get money back, but that doesn't me we won't get something back, that we won't get satisfaction. And honestly, I mean, you know, a hundred thousand dollars does sound like a lot of money to a lot of people, but we make decisions all the time about things that I think might be even less justifiable spending that kind of money.

32. And the other thing is essential the track record of this forensic accountant might also be an incentive to have a different position [go after Linda despite it being "game over"]

33. Whatever comes out of [the litigation], I don't ever want us not to be able to tell the truth about what she did.

18 [Re: continuing the losing lawsuit:] There's, you know, making ourselves financially whole, which seems like it's already an impossibility, but then the second is what's the right thing to do. And the right thing to do is to bring her to justice. . . .

'20 [Re: spending another \$100,000 in losing litigation:] It doesn't seem like that much compared to the potential losses from somebody else doing this in the future.. . .21. We didn't do this to reclaim this money [SUFA's nest egg of \$250,000 in donations and savings] . . . we did it to make sure it doesn't happen again

2/19/2014 13. He ([SUFA 990 preparer Paul Mills] sounds like a worse and worse auditor than what we talked about him.

17 Who [SHARK] wasn't even in existence. 19. But that other entity didn't exist, so –

What is it you were so passionate about wanting to tell the world about the SUFA case? Have you in fact made a statement since the case was settled and resolved?