

Judie,

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> After reviewing prior emails and the inter-local agreements between the City and County regarding the causeway, I have some questions and comments. Most of the questions revolve around whether certain summary schedules exist. I have briefly reviewed the drop box folder of documents from the County, but do not recollect seeing any such summary schedules that support Mr. Loveland's email stating that this fiscal year, the junior lien is scheduled to be paid off.

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> Prior to commencing an audit, I suggest we see what summary schedules exist from the county (if any). It is from these schedules we should define our scope and conduct an audit. I would be happy to discuss my thoughts with you prior to council OR if you feel council should reflect upon my comments prior to our Feb 5 meeting, please feel free to forward my email.

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> QUESTIONS/COMMENTS:

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> * Latest agreement I have is the settlement agreement between County and City dated March 1, 2005. Do any subsequent documents or agreements exist?

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> *Section I - refers to "estimated debt service payments" as "Bonded Debt Service" illustrated in Exhibit B. This exhibit was acknowledged as "estimated and subject to change". Has "Exhibit B" ever been updated to show "Actual" bonded debt service?

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> *Section 2b estimates that the Junior Lien will be completely retired sometime in 2012. Per Dave Loveland's email dated 11/5/12, the debt will be retired in FY 2013/14 (the current year). Did we receive a schedule that supports this statement? JZ email from 11/23 makes a similar request.

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> *Section 2c defines Toll Surplus revenues. Sanibel's pro-rata share of the "Toll Surplus Revenues" is 21%. As per 5a, this pro-rata amount is to be contributed to paying down the junior lien until the lien is completely retired. Is there a spreadsheet that shows all components (defined in 2b) that derive the Toll Surplus revenues for each year subsequent to the settlement? If memory serves, we received a schedule similar to this each time payment was received from the county for surplus (prior to lawsuit).

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> *Does a schedule exist that illustrates the amortization of the junior lien from inception to current. (Beginning balance, interest, principal pay-downs from causeway surplus, ending balance).

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> Regards,

> Doug