

March 29, 2011

TO: Commissioner Bill Gates, Chairman  
Fire Chief/Administrator Al Church

FM: David Lawson, CFO

**RE:** Allegation of embezzlement of funds for production a of Fire District Year Book

At the Board of Commissioners' regular meeting on March 22, 2011 Mr. Galland made a statement on the public record in which he compared the expenditure of \$800 to support production of our year book to the embezzlement activities of a former employee. Mr. Galland asserted that the Board of Commissioners approved the Yearbook Committee only after Chief Church consulted with legal counsel and agreed that there would be no use of public funds. In response to his unfounded allegations, I offer the following:

Minutes of the December 17, 2009 Board meeting contain the following as it pertains to the year book.

"Chief Church reported that we have a Department Annual (Yearbook) Committee meeting scheduled for January 19<sup>th</sup> at 1:00 pm at Station 62. He added that he and Commissioner Fossos are the Co-Chairs and he has checked with Legal Counsel, in regards to the department paying upfront costs, but the costs will be built into the cost of the annual so in the end the department will be reimbursed for all upfront costs once the books are sold. There was a motion on the table from Commissioner Hershey from the November 17<sup>th</sup> meeting. Motion to approve the Yearbook and some expenditures for the yearbook. It should be self sustained. Motion passed unanimously."

Minutes of the November 17, 2009 Board meeting contain comments by Commissioner Fossos regarding the Yearbook Committee meeting, and he asked that the Board adopt a motion in support of the yearbook project. Action on the motion was deferred to December 17, at which time the Board adopted it unanimously. At both Board meetings, the fronting of money and the plan for its recovery was openly discussed by Board Members and staff.

Mr. Galland is incorrect in his assumption that the year book is a failed project. It has simply been deferred until such time as economic conditions are more favorable for production and sale of the book and full recovery of its costs.

Mr. Galland's suggestion that the approval and funding of this project somehow rises to the level of embezzlement is totally without basis in fact or in law.