

State of Washington PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 (360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

June 27, 2019

Delivered electronically to "jason@argo.us"

Subject: Complaint filed by Gary Meisner, PDC Case 27995

Dear Everett Firefighters for Citizen Safety (Sponsored by IAFF Local 46):

Below is a copy of an electronic letter sent to Gary Meisner concerning a complaint filed with the Public Disclosure Commission (PDC).

As noted in the letter to Gary Meisner, the PDC has dismissed this matter in accordance with RCW 42.17A.755(1) and will not conduct a more formal investigation into these allegations or take further enforcement action in this matter.

PDC staff is reminding Everett Firefighters for Citizen Safety (Sponsored by IAFF Local 46) about the importance of accurately tracking and reporting the dates that expenditures advanced by agents of the committee were made, ensuring that these dates are reflected properly on both C-4 and C-6 reports. In the future, PDC staff expects consistent reporting of dates between C-4 and C-6 reports so that the public may follow the information concerning debts and pledges on the C-4 reports to the expenditures and funding sources on the C-6 reports.

If you have questions, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877-601-2828, or by email at pdc@pdc.wa.gov.

Sincerely,
<u>/s</u>
Fox Blackhorn
Compliance Coordinator 2
Endorsed by,
/s
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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June 27, 2019

Delivered electronically to "garymarcia@frontier.com"

Subject: Complaint regarding Everett Firefighters for Citizen Safety, PDC Case 27995

Dear Gary Meisner:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on November 2, 2017. The complaint alleged that Everett Firefighters for Citizen Safety (Sponsored by IAFF Local 46) [the Committee], a single election political committee in support of Judy Tuohy for Mayor of Everett, may have violated RCW 42.17A.235 for failure to timely and accurately file Monetary Contribution reports (C-3 reports) and Summary Full Campaign Contribution and Expenditure reports (C-4 reports), disclosing contributions and expenditures undertaken by the Campaign; RCW 42.17A.240 for failure to accurately and completely disclose debts and obligations; and RCW 42.17A.305 for failure to accurately and completely file Independent Spending & Electioneering Communications reports (C-6 reports), disclosing electioneering communications in support of Candidate Tuohy.

PDC staff reviewed the allegations; the applicable statutes, rules, and reporting requirements; the response provided by the Committee; the applicable PDC reports filed by Respondent; and queried the Respondent's data in the PDC contribution and expenditure database, to determine whether the record supports a finding of one or more violations.

Based on staff's review, we found the following:

- The Committee registered as a single year committee in support of Judy Tuohy on October 7, 2017.
- On October 16, 2017, the Committee timely filed the 21-day pre-general C-4 report, disclosing a pledge of \$20,000 from IAFF Local 46; along with a \$6,250 debt to Argo Strategies for printing and mailing a pro-Judy Tuohy mailer to be presented to the public on October 17, 2017, in accordance with RCW 42.17A.240.
- On October 19, 2017, the Committee filed a C-6 report reporting an expenditure for \$6,250 to Argo Strategies made on October 19, 2017, for the pro-Judy Tuohy mailer presented to the public on October 18, 2017, using \$20,000 received from IAFF Local 46 on October 19, 2017.
- The October 19, 2017, C-6 report appears at first glance to indicate that the money pledged by IAFF Local 46 had already been received by the Committee, and that Argo Strategies performed the services and had been rendered payment.
- RCW 42.17A.005(16)(a) defines contributions as including pledges, and RCW 42.17A.005(23) defines expenditures as including debts, and the C-6 report does not

- allow for identification of pledges or debts in contrast to funding sources and expenditures.
- Although the dates presented on the C-6 do not match the pledge and debt dates presented on the Committee's C-4 reports, it does appear that the Committee made a good faith effort to disclose the source of funds and the entity the Committee would ultimately pay for the service.
- On October 30, 2017, the Committee timely filed the 7-day pre-general C-4 report, disclosing an additional debt for \$6,250 to Argo Strategies for a second mailer, this time disclosing Morel Ink as a subvendor, and an additional debt for \$2,000 for digital advertising, disclosing Facebook as a subvendor, in accordance with RCW 42.17A.240 and WAC 390-16-205, both debts were incurred on the day the C-4 was filed.
- On November 3, 2017, the Committee filed a second C-6 report disclosing an expenditure of \$2,000 on October 31, 2017, to Argo Strategies for Facebook ads, and an expenditure of \$6,250 on November 2, 2017, to Argo Strategies for printing and mailing a second mailer.
- On December 7, 2017, the Committee timely filed the post-general C-4 report, disclosing expenditures totaling \$19,421.36 made on November 9, 2017, including \$19,000 to Argo Strategies for treasury services and the cost of all the electioneering communications sponsored by the Committee that Argo Strategies directly paid on behalf of the Committee in expectation of repayment, disclosing subvendors in accordance with RCW 42.17A.240 and WAC 390-16-205.
- The Committee had reported \$0 in contributions received and deposited by November 9, 2017.
- On December 7, 2017, the Committee filed its only C-3 report for the campaign, disclosing receipt and deposit of \$20,000 on November 10, 2017, the day after the Committee paid \$19,421.36.

It appears that the Committee timely filed its C-3, C-4, and C-6 reports during the 2017 election campaign, disclosing all of its financial activity in good faith. As the C-4 and C-6 reports require different information and levels of detail, it created an appearance that the Committee had received funds and made expenditures directly from its bank account, when in fact there was no activity through the Committee's account until after the election.

Based on our findings staff has determined that, in this instance, failing to report the dates that debts were incurred and pledges were made on the C-4 as the dates that expenditures were made and funding was received on the C-6, does not amount to an actual violation warranting further investigation.

PDC staff is reminding Everett Firefighters for Citizen Safety (Sponsored by IAFF Local 46) about the importance of accurately tracking and reporting the dates that expenditures advanced by agents of the committee were made, ensuring that these dates are reflected properly on both C-4 and C-6 reports. In the future, PDC staff expects consistent reporting of dates between C-4 and C-6 reports so that the public may follow the information concerning debts and pledges on the C-4 reports to the expenditures and funding sources on the C-6 reports.

Based on this information, the PDC finds that no further action is warranted and has dismissed this matter in accordance with RCW 42.17A.755(1).

If you have questions	, you may contact Fox Blackhorn at 1-360-753-1980 toll-free at 1-877	7-601-
2828, or by e-mail at	pdc@pdc.wa.gov.	

Sincerely,
/s
Fox Blackhorn
Compliance Coordinator 2
Endorsed by,
/s
Barbara Sandahl
Deputy Director
For Peter Lavallee

Executive Director

cc: Everett Firefighters for Citizen Safety