

MEMORANDUM

TO: BCFD Board

FROM: Andrea Meinhart

DATE: July 17, 2006

It has been requested of me by the BCFD Board to tender my resignation. This correspondence is in response to your request.

There have been long-standing issues within the fire district. Some of them could be characterized as minor and easy to rectify. An example is my discovery in early 2005 of sales tax payments made for multiple years to the City of Columbia for utility services at multiple locations. I worked with the City of Columbia so that over \$28,000 of taxpayer dollars was credited to the fire district. Why, if the audit was comprehensive, was this not discovered? If Sue Miller of Marberry, Miller & Bales has found accounting mistakes in FY05 during a standard audit, what was the nature of mistakes from prior fiscal years? Has Sue been directed to dig as deep as possible to find issues that have been long-standing? Was the scope of her audit clearly defined by an engagement letter to uncover FY04 and earlier issues? There was no such engagement letter for FY05.

If the scope of audit was sufficient and the desire of the fire district management was to provide accurate information, why was audit adjusting entries not made for multiple fiscal years? When I posed the question, the answer was "I don't know" and was then instructed to make them in FY05.

If the scope of audit was sufficient and the desire of management was to provide accurate information, why was the fire district not in compliance with GASB letter 34 until my attempt to do so beginning with new software implementation for FY06? To thwart my attempts, the Fire Chief, Assistant Chief Curry and Kay Murray chose to not include the software user manuals in the proposal presented to the board. In fact, I was directed to get a new proposal from the vendor which removed the manuals.

If the scope of the audit was sufficient and the desire of management was to provide accurate information, why were retirement funds belonging to Rob Brown, by virtue of his contract, never invested properly? I did not learn of these funds until Rob had me review his contract and I questioned him. He said that Doug Harris had put them in some "account." There was no account. Those funds were not recognized on the balance sheet as a liability and were not segregated from the operating funds of the fire district. Ultimately, after Rob's position was "eliminated", I worked with him to set up a retirement account with Nationwide Retirement Systems. This situation created issues within the office when Rob left.

If the desire of management was to provide accurate information, why was there no active listing of the fixed assets? Preparing for the FY04 audit, the data files were discovered to be corrupted and had to be retrieved by Scott Olsen in an ASCII format. No correction was made for FY05 and I was instructed to only supply a list of capital acquisitions for the fiscal year.

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If the scope of the audit was sufficient and the desire of management was to provide accurate information, why would items below the capital threshold not be expensed but, instead, capitalized? When preparing to migrate to the new system, the software CPA and I questioned Sue Miller about such items. She said that to adjust them off would greatly impact the assets on the balance sheet and was instructed to not expense them. Regardless of the outcome, why not portray accurate information?

I was the person appointed by Steve Paulsell and Pat Barnes to spend a significant period of time over the span of weeks with the FBI investigator. I was instructed to volunteer no information and to only answer questions. I shared with the Fire Chief where our possible exposures were but did not point them out to the FBI investigator. I waited for the investigator to ask the "right" questions. He never did.

If an accurate reporting was desired, why was I instructed to take prepayment from two different FEMA Cooperative Agreements to cover the deficits at 12/31/05 resulting from Hurricane Katrina deployments? Kay Murray, Steve Paulsell and Assistant Chief Curry clearly understand that the Cooperative Agreement funds are approved based upon an approved budget, not for deployment, and that funds are to be drawn only for expenses already incurred and paid. However, I was instructed to violate that policy. Sadly, the Task Force Program Director and I had no higher power to report this.

As I said to the Board in our 7/14 meeting, reimbursement for Hurricane Katrina has not yet been submitted as the equipment loss/destruction reports have not been received by me. I reported this via email to the Fire Chief and AC Curry in late '05 and again in '06. No response was received.

Assistant Chief Curry is not a deployable member of the Task Force. She has not fulfilled the necessary ICS testing and fitness requirements. She was deployed twice, for approximately two weeks each, for clerical positions. Boone County taxpayers have footed the bill for her deployment salary (about \$20,000) and her lodging and rental car expenses. She used her County credit card for hotel and rental car expenses, and has never repaid the fire district. Not deployed as a member of MOTF1, Assistant Chief Curry was instructed by Rita Schmidt of FEMA, to submit these expenses for reimbursement. Has that happened? Will the audit note this?

In a Board work session, AC Curry characterized her job as containing duties for the MO Association of FPD being about 25%. She also stated that MAFPD pays the fire district \$20,000 per year to offset expenses. MAFPD did not pay county fire in 2004. I made the transfer early in 2005 and ended up refunding \$7,000 as MAFPD did not have sufficient operating funds. There have been no additional transfers made due to lack of funds. Further, I began to ask how the \$20,000 figure was arrived upon and what costs were covered. My concern stemmed from the lack of proper identification of those costs. I was concerned that either a profit was being made by county fire or that the taxpayers were subsidizing this special interest organization. My repeated requests, some made by email, went unanswered.

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These are but a few examples of the questions I raised, which has resulted in the condemnation of my character and professional abilities. Until I developed a clearer understanding of what was going on, I was just a cog in the machine which was

operating, in my opinion, as a shell game. The message portrayed depended entirely upon the recipient and the facts were manipulated to make them in agreement. Repeatedly, I was told I was “working too hard.” Kay Murray, in an email to me, said I was “creating extra work for myself” and that we “need to go back to the way it used to be.” This was in early 2006, shortly after we launched the new fund accounting system.

I am not the first person to call into question the inner working of this organization. There are numerous other high-profile employees and volunteers who were dismissed and systematically discredited. It appears that this is my fate, as well. On Friday, July 14 around 4:45 p.m., John Gordon, Sr. visited my home and said that I had until noon on Monday, July 17 to tender my resignation or that I would be terminated. Terminated for “accounting mistakes” that the auditor has found or terminated for filing an employee grievance on June 28?

I have never been disciplined at the fire district. Never. I was instructed that every email I issue was to be copied, or blind copied, to AC Curry. I complied. I did not make a move that she was not aware of. I instituted a system of purchase orders and an accompanying policy whereby invoices were authorized by a bureau chief. I insisted on all receipts for purchases to be submitted, especially credit card charges. For that, the Fire Chief called me the “Receipt Nazi” at a Monday morning meeting. (Candidly, I am proud of my German descent; but our family did not support Hitler.) I began to track which employees and volunteers carried county credit cards (Wal-Mart, Westlake, numerous fuel companies, VISA). I attempted to develop some internal controls for A/P by requesting a part-time A/P person. I instituted a system of check requisitions. I instituted a system of tracking paid time off and a form to be filed. I created personnel files for the paid staff containing the mandated information. The list goes on and on. I attempted to bring some sense of structure to an out of control environment. When I learned enough to question the system, my good name is slandered. Nobody cared. Still...nobody cares. What a horrible shame.

I will not resign. If you choose to terminate me prior to fully investigating all of my allegations of misconduct contained in this letter and in the employee grievance, then so be it. As stated in my cover letter accompanying my grievance, I had great fear of what would happen to me. What has occurred is that Paulsell rallied his good ol’ boy system and quickly fashioned up complaints which call into question my abilities. I admit that mistakes have happened that are my responsibility. I also stated that the environment often kept me from completing required tasks. I was, as I stated “in an unending game of Pong and I was the ball.”

My grievance letter did not state a reason for being put on paid leave. If I was put on leave, why was Assistant Chief Curry not put on leave? She rifled through my office on Monday night, June 26, scattering VISA cards, cash and change. It was so upsetting to me, and put me in a precarious position, that I took photos with my digital camera.

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Firsthand, I have time after time witnessed the internal events that attempted to deflect fault and create question of others. This is yet another case. I will, until I draw my last breath, stand before you and say I have done ONLY what I was instructed to do. My desire was to

bring accountability and credibility to an organization that, I learned after my employment, was seriously lacking the same. For that, I am paying a dear price.

Sincerely,

Andrea Meinhart

Attachment: Employee Grievance, 6/28/06

Cc: Claire McCaskill
Federal Bureau of Investigation
Hank Waters

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