

THOMAS J. DONOVAN, JR.
ATTORNEY GENERAL

JOSHUA R. DIAMOND
DEPUTY ATTORNEY GENERAL

WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



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<http://www.ago.vermont.gov>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

January 31, 2017

VIA U.S. MAIL

Dan Schwartz
VTDigger
97 State Street
Montpelier, VT 05602

Re: Public Records Request

Dear Mr. Schwartz:

I am writing in response to your request for records that was received by the Vermont Attorney General's Office on January 17, 2017.

Request

Your request was for "any and all documents related to active or inactive investigations or pending or non-pending charges involving Cynthia Diaz in her role as either Coventry town clerk, delinquent tax collector, treasurer or a citizen of Vermont."

Response to Request

In response to your request, we have collected a large volume of material. As part of a preliminary review to assess the amount of time and effort needed to comply with your request, we have identified certain records that are responsive to your request. I have separated these records into two categories.

1. Records subject to inspection

The Vermont Attorney General's Office has identified 162 pages of records that are responsive to your request and are subject to inspection. The Attorney General's Office will provide these records at no charge to you. Please find copies of these records enclosed with this letter.

Social security numbers within these records have been redacted because disclosure could constitute an unwarranted invasion of personal privacy and would

reveal information relating to personal finances. See 1 V.S.A. §§ 317(c)(5)(A)(iii), 317(c)(7), 318(e); see also Vt. Rules for Pub. Access to Ct. Records § 6(b)(29). Except for social security numbers, information has not been redacted from documents that are otherwise available to the public. See Vt. Rules for Pub. Access to Ct. Records § 6.

2. Records not subject to inspection

The Attorney General's Office has identified additional records in its possession that may be responsive to your request but are exempt from disclosure under Vermont's Public Records Act.

Some of these records are exempt from production pursuant to 1 V.S.A. § 317(c)(7), which exempts from public inspection and copying "[p]ersonal documents relating to an individual, including information in any files maintained to hire, evaluate, promote, or discipline any employee of a public agency, [and] information in any files relating to personal finances[.]" Certain records are exempt pursuant to 1 V.S.A. § 315(c)(5)(A)(iii) (exempting criminal investigation records that "could reasonably be expected to constitute an unwarranted invasion of personal privacy"). In addition, pursuant to 1 V.S.A. § 315(c)(5)(D), "a public agency shall not reveal ... the identity of a private individual who is a witness to or victim of a crime[.]" Additional records are exempt from inspection pursuant to 1 V.S.A. § 317(c)(4); making these records public would cause a violation of the attorney-work product privilege. See *Killington, Ltd. v. Lash*, 153 Vt. 628, 646, 572 A.2d 1368, 1379 (1990) (concluding that attorney's work product is protected by a common-law attorney's work-product privilege).

Further review

As noted above, the Attorney General's Office has collected a large number of records; there are thousands of pages of documents in total. Comprehensively reviewing these records to identify responsive records and distinguish exempt records from non-exempt records will be a lengthy process, as there remains a need to "appropriately examine a voluminous amount of separate and distinct records which are demanded in a single request." 1 V.S.A. § 318(c)(5)(B). Further review may or may not identify additional records that are subject to inspection.

As the time directly involved in fully reviewing the file and complying with your request will exceed 30 minutes, the Vermont Attorney General's Office will charge and collect the cost of staff time associated with complying with your request pursuant to 1 V.S.A. § 316(c)(1). We anticipate that the cost of complying with your request will exceed \$250.00.

Complying with your request will require senior-level staff to examine all of the records to determine whether responsive documents are exempt from production pursuant to 1 V.S.A. § 317(c) and to redact records that are not exempt in their

entirety. We estimate that this process will take 30 hours of senior-level staff time, and would charge you the rate determined by the Vermont Secretary of State pursuant to 1 V.S.A. § 316(d). That rate is currently \$.57 per minute. See "Uniform Schedule of Public Records Charges for State Agencies" Vermont Secretary of State, available at <https://www.sec.state.vt.us/archives-records/certifications-fees/uniform-fee-schedule.aspx>. The Vermont Attorney General's Office estimates that the total cost of complying with your request would be \$1,026 for senior-level staff time, plus additional copying charges as provided for in 1 V.S.A. § 316(b)—as we do not know how many records would ultimately be produced, we are presently unable to estimate copying charges.

The Vermont Attorney General's Office will require that you provide \$1,026 in advance if you wish for the Office to proceed with a comprehensive review of all documents in the investigation file to identify and produce "any and all documents related to active or inactive investigations or pending or non-pending charges involving Cynthia Diaz in her role as either Coventry town clerk, delinquent tax collector, treasurer or a citizen of Vermont." *It is possible that no additional files will be produced other than those enclosed with this letter.*

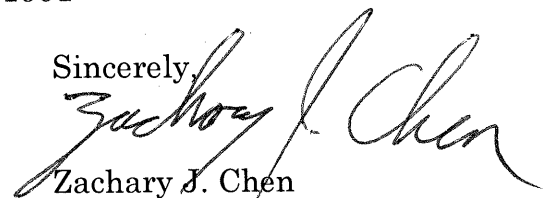
In the event that complying with your request requires less than 30 hours of senior-level staff time, we would refund a corresponding portion of the fee to you. In the event that complying with your request requires more than 30 hours of senior-level staff time and additional fees are required, we would notify you as soon as practicable before proceeding further and charging an additional amount.

Right to Appeal

To the extent you consider that this response constitutes a denial of your request, you may appeal to the Deputy Attorney General. Any appeal should be in writing and addressed to:

Joshua Diamond, Esq.
Deputy Attorney General
109 State Street
Montpelier, VT 05609-1001

Sincerely,


Zachary J. Chen
Assistant Attorney General
Criminal Division

Enc.
cc: file

SUPERIOR COURT

Unit

NOTICE OF PLEA AGREEMENT

STATE OF VERMONT

CRIMINAL DIVISION

Docket No.

Date

11/5/11

STATE OF VERMONT

v.

Defendant's Name

DOB

2/11/68

The State of Vermont and the Defendant named above enter into the following agreement:

Charge: <u>2nd & 4th</u>	Charge: <u>1st & 2nd</u>	Charge: _____
Docket Number: <u>171-2-10</u>	Docket Number: <u>171-2-10</u>	Docket Number: _____
Amended: Yes <input checked="" type="radio"/> No <input type="radio"/>	Amended: Yes <input checked="" type="radio"/> No <input type="radio"/>	Amended: Yes <input type="radio"/> No <input type="radio"/>
Amended Charge Code: _____	Amended Charge Code: _____	Amended Charge Code: _____
Amended Section No: <u>32 VSA</u>	Amended Section No: <u>32 VSA</u>	Amended Section No: _____
Guilty <input checked="" type="radio"/> Nolo Contendere <input type="radio"/>	Guilty <input checked="" type="radio"/> Nolo Contendere <input type="radio"/>	Guilty <input type="radio"/> Nolo Contendere <input type="radio"/>
SENTENCE:	SENTENCE:	SENTENCE:
FINE \$ <u>750</u> & Surcharge \$ <u>141</u>	FINE \$ <u>750</u> & Surcharge \$ <u>141</u>	FINE \$ _____ & Surcharge \$ _____
(Min.) _____ Yr. _____ Mo. <u>15</u> Days	(Min.) _____ Yr. _____ Mo. <u>15</u> Days	(Min.) _____ Yr. _____ Mo. _____ Days
(Max.) _____ Yr. <u>1</u> Mo. _____ Days	(Max.) _____ Yr. <u>6</u> Mo. _____ Days	(Max.) _____ Yr. _____ Mo. _____ Days
Concurrent <input checked="" type="radio"/> Consecutive <input type="radio"/>	Concurrent <input checked="" type="radio"/> Consecutive <input type="radio"/>	Concurrent <input type="radio"/> Consecutive <input type="radio"/>
Suspended with Probation: Yes <input checked="" type="radio"/> No <input type="radio"/>	Suspended with Probation: Yes <input checked="" type="radio"/> No <input type="radio"/>	Suspended with Probation: Yes <input type="radio"/> No <input type="radio"/>
Term of Probation: _____ months yrs	Term of Probation: _____ months yrs	Term of Probation: _____ months yrs
Treatment Credit: _____ Days	Treatment Credit: _____ Days	Treatment Credit: _____ Days
Out-of-State Credit: _____ Days	Out-of-State Credit: _____ Days	Out-of-State Credit: _____ Days
Local Lock-up Credit: _____ Days	Local Lock-up Credit: _____ Days	Local Lock-up Credit: _____ Days
All Suspended except _____ days months yrs	All Suspended except _____ days months yrs	All Suspended except _____ days months yrs

☐ The parties hereby stipulate that this conviction is a violation of the Defendant's probation and, as part of this Plea Agreement, waive further notice, separate hearing, and agree that the Court impose the following:

TOTAL SENTENCE: 30d - 12 mo 0105099 Total FINE & Surcharges: \$ 1792

Cases to be Dismissed by State:

Docket # <u>4-4-11</u>	Charge: <u>1st count</u>
Docket # <u>7-1-11</u>	Charge: <u>1-6</u>
Docket # <u>171-2-10</u>	Charge: <u>7</u>
Docket # <u>171-2-11</u>	Charge: <u>10</u>
Docket # _____	Charge: _____

Special Probation Conditions:

1. Complete 114 hours of community service
 2. 1st & 2nd counts of plea
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Report Date: _____ Forthwith: _____

PSI Ordered? Yes ☒ No ☐Defendant already on probation? Yes ☒ No ☐

Other:

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This is a binding Rule 11 Agreement.

Prosecutor

David B. B. B.

Date

11/5/11

Judge

Date

I have reviewed this agreement and understand it.

Defendant

Gordon J. B. B.

Date

11/5/11

Defense Attorney

V. B. B.

Date

11/5/11

Guardian ad Litem

Date

The execution of the sentence is suspended and the defendant is placed on probation in the care and custody of the Commissioner of Corrections until _____ (date) or further order of the court under the following standard conditions:

- A. You shall notify your probation officer within 48 hours if you are arrested or given a citation for a new offense.
- B. You must not be convicted of another crime.
- C. You must regularly work at a job or look for work, if your probation officer tells you to do so. You must get job training if your probation officer tells you to do so.
- D. You must regularly work at a community service job if the court orders you to do so.
- E. You must support your dependents and meet other family responsibilities.
- F. You must meet with your probation officer or designee whenever he/she tells you to do so.
- G. If you change your address or move, you must tell your probation officer within two days.
- H. If you change or lose your job, you must tell your probation officer within two days.
- I. You cannot leave the state without written permission from your probation officer.
- J. Upon request, and without delay, you must allow the probation officer to visit you wherever you are staying.
- K. If the probation officer or the court orders you to go to any counseling or training program, you must do so. You must participate to the satisfaction of your probation officer.
- L. You must not buy, have or use any regulated drugs unless they are prescribed by a doctor. Your probation officer or any other person authorized by your probation officer can require you to have random urinalysis testing.
- M. Violent or threatening behavior is not allowed at any time.
- N. You shall not operate, try to operate or be in actual physical control of a motor vehicle on a public highway unless in possession of a valid Vermont operator's license.
- O. You shall not drink alcoholic beverages to the extent they interfere with your employment or the welfare of your family, yourself or any other person. You must submit to any alcohol sensor test or any other alcohol test when your probation officer or their designee tells you to do so.
- P. If restitution is ordered, you must cooperate fully with the Restitution Unit.

NOTICE:

Under the federal Gun Control Act (18 U.S.C.A. 922), a person who has been convicted of a felony or a qualifying misdemeanor crime of domestic violence, or who is subject to a qualifying final relief from abuse order, may not lawfully possess a firearm. For more information about these prohibitions, please call the Bureau of Alcohol, Tobacco, Firearms and Explosives at 1-800-800-3855 or go to the ATF website at: www.atf.treas.gov. If you have any questions whether these laws make it illegal for you to possess or purchase a firearm, you should consult an attorney.

STATE OF VERMONT
DISTRICT COURT OF VERMONT
Unit No. 3, Washington Circuit

CONDITIONS OF RELEASE

Date of Order: February 18, 2010

State v. Diaz, Cynthia

Defendant's Date of Birth: 02/16/1968

- 171-2-10 Wncr, count 1 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 2 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 3 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 4 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 5 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 6 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 7 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 8 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
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171-2-10 Wncr, count 9 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)
171-2-10 Wncr, count 10 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894(d)

Arresting Agency: Attorney General's Office

The Court has determined that future appearance(s) of the defendant will not be reasonably assured by his or her release on personal recognizance or execution of an unsecured appearance bond alone; or that the release of the defendant will constitute a danger to the public. It is therefore ORDERED that the defendant be released upon the following conditions:

1. You must come to court when you are told to.
2. You must give your attorney or the court clerk your address and phone number. If it changes, you must tell them immediately.
3. You must not be charged with or have probable cause found for a new offense while this case is open.
31. You shall report to VSP-Middlesex within 3 business days for taking of photograph and fingerprints.

VIOLATIONS OF ANY OF THESE CONDITIONS IS A CRIME. If you violate any of these conditions the court may send you to jail or keep you in jail and you may be charged with new crimes. You must follow these conditions until your case is closed or until the court changes the conditions.

Order of the Court:

Judge Brian J. Grearson (kw)
Brian J. Grearson

I have received a copy of this order. I have read it. I understand it.

Date

2-18-10

Time

1:40 pm

Defendant

Cynthia J. Diaz

RECEIVED

FEB 22 2010

STATE OF VERMONT
ATTORNEY GENERAL OFFICE

STATE OF VERMONT
UNIT II, WASHINGTON CIRCUIT

DISTRICT COURT
DOCKET NO. 171-2-10 WnCr

STATE OF VERMONT)

v.)

CYNTHIA DIAZ)

FILED

FEB 12 2010

District Court of Vermont
Unit No. 2
Washington Circuit

INFORMATION BY ATTORNEY GENERAL

BY THE AUTHORITY OF THE STATE OF VERMONT, the Attorney General

for the State of Vermont, upon his oath of office, charges:

COUNT 1

FAILURE TO FILE TAX RETURN

CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2004, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to file a tax return when required to do so: to wit, failed to file with the commissioner of taxes when required to do so, a Vermont individual income tax return for the 2003 calendar year, in order to evade paying a tax liability in excess of \$500.00 in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

COUNT 2
FAILURE TO PAY TAX
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2004, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to pay a tax when due: to wit, failed to pay to the commissioner of taxes when due, Vermont individual income tax for the 2003 calendar year in an amount exceeding \$500.00, with the intent of evading the payment of this tax in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 3
FAILURE TO FILE TAX RETURN
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2005, Cynthia Diaz of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to file a tax return when required to do so: to wit, failed to file with the commissioner of taxes when required to do so, a Vermont individual income tax return for the 2004 calendar year, in order to evade paying a tax liability in excess of \$500.00 in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

COUNT 4
FAILURE TO PAY TAX
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2005, Cynthia Diaz of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to pay a tax when due: to wit, failed to pay to the commissioner of taxes when due, Vermont individual income tax for the 2004 calendar year in an amount exceeding \$500.00, with the intent of evading the payment of this tax in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 5
FAILURE TO FILE TAX RETURN
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 17, 2007, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to file a tax return when required to do so: to wit, failed to file with the commissioner of taxes when required to do so, a Vermont individual income tax return for the 2006 calendar year, in order to evade paying a tax liability in excess of \$500.00 in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

COUNT 6
FAILURE TO PAY TAX
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 17, 2007, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to pay a tax when due: to wit, failed to pay to the commissioner of taxes when due, Vermont individual income tax for the 2006 calendar year in an amount exceeding \$500.00, with the intent of evading the payment of this tax in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

B **COUNT 7**
FAILURE TO FILE TAX RETURN
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F M

On or about April 15, 2008, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, ~~with the intent to evade a~~
~~tax liability in an amount exceeding \$500.00~~, during a single calendar year, failed to file a
tax return when required to do so: to wit, failed to file with the commissioner of taxes
when required to do so, a Vermont individual income tax return for the 2007 calendar
year, ~~in order to evade paying a tax liability in excess of \$500.00~~ in violation of Title 32
V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than ¹~~three~~ years or a fine of not
more than ~~\$10,000.00~~ or both.

\$1,000

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

COUNT 8
FAILURE TO PAY TAX
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2008, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to pay a tax when due: to wit, failed to pay to the commissioner of taxes when due, Vermont individual income tax for the 2007 calendar year in an amount exceeding \$500.00, with the intent of evading the payment of this tax in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

B, COUNT 9
FAILURE TO FILE TAX RETURN
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F M

On or about April 15, 2009, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, ~~with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to file a tax return when required to do so: to wit, failed to file with the commissioner of taxes when required to do so, a Vermont individual income tax return for the 2008 calendar year, in order to evade paying a tax liability in excess of \$500.00~~ in violation of Title 32 V.S.A. § 5894(d) ^b and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than ¹three years or a fine of not more than \$10,000.00 or both.

\$1,000

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

COUNT 10
FAILURE TO PAY TAX
CHARGE CODE: 32V5894D, CHARGE NAME: FAILURE TO PAY TAX OR
FILE TAX RETURN > \$500, OFFENSE CLASS: F

On or about April 15, 2009, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was a person who, with the intent to evade a tax liability in an amount exceeding \$500.00, during a single calendar year, failed to pay a tax when due: to wit, failed to pay to the commissioner of taxes when due, Vermont individual income tax for the 2008 calendar year in an amount exceeding \$500.00, with the intent of evading the payment of this tax in violation of Title 32 V.S.A. § 5894(d) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Dated this 12th day of February, 2010.

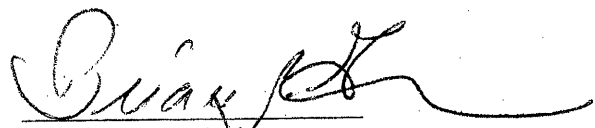
STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By: 
ROBERT C. MENZEL, Jr.

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

This information was presented to me and I have found probable cause this 12th
day of February, 2010.


District Court Judge

Form No. 332
Citation

STATE OF VERMONT
District Court of Vermont
CITATION

County Washington

TO: Cynthia Diaz
DOB: 02/16/68

BY THE AUTHORITY OF THE STATE OF VERMONT, you are hereby ordered to appear before a Judicial Officer at the District Court of Vermont, at the following time and place:

Date <u>02-18-10</u>	Time <u>12:30</u>	Unit <u>III</u>	Circuit <u>District</u>
Town/City <u>Coventry</u>	County <u>Washington</u>	to answer to the charge of	
Offense <u>Failure to file/pay tax returns</u>			

An information charging you with this offense will be presented at the time of your appearance.

IF YOU DO NOT APPEAR AT THE TIME AND PLACE ORDERED, A WARRANT WILL BE ISSUED FOR YOUR ARREST AND YOU MAY BE SUBJECT TO ADDITIONAL CHARGES AND PENALTIES.

Date Issued: <u>02-17-10</u>	Town/City <u>Coventry</u>	County <u>Orleans</u>
Signature - Issuing Officer <u>[Signature]</u>		Title/Dept. <u>Det. / AGO</u>

Date <u>2-11-10</u>	Signature - Defendant <u>[Signature]</u>
------------------------	---

I received this Citation on:

R 5M 7/96 V.C.I.

White - Court's Copy

Yellow - Officer's Copy

Pink - Defendant's Copy

AFFIDAVIT of PROBABLE CAUSE

Now Comes Detective Darin Barber of the Vermont Attorney General's Office, affiant, being duly sworn and on oath, deposes and says he has probable cause to believe that **Cynthia Diaz, DOB 2/16/68** has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO FILE TAX RETURN**, a violation of Title 32 VSA, Section 5894(d); has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO PAY TAX**, a violation of Title 32 VSA, Section 5894(d).

INTRODUCTION

1. I am a certified full-time law enforcement officer in the State of Vermont and have been employed as a criminal investigator by the Vermont Attorney General's Office since July, 2008.
2. In December, 2008, an investigation was opened into activities of Cynthia Diaz. As a result of that investigation, it was learned that Diaz failed to file Vermont State Income Tax returns for the tax years 2003, 2004, 2005, 2006, 2007, and 2008. Further investigation revealed that Diaz was a resident of the State of Vermont and had taxable income for those tax years. State Tax Investigator Frank Chapman calculated the income tax payments due from Diaz from those years, using the information available to him. Those calculations indicated that Diaz owed state income tax payments in excess of \$500 for each of those tax years, with the exception of tax year 2005. The tax due for 2005 was less than \$500, and therefore the failure to pay that tax, and the failure to file a return for that year, are misdemeanors for which the statute of limitations has expired. For each of the remaining years, probable cause exists that Diaz failed to file a tax return with intent to evade a tax liability, where the amount of tax evaded was in excess of \$500.00 in a single calendar year, a felony. In addition, for each of the remaining years, probable cause exists that Diaz, with intent to evade a tax liability, failed to pay a tax when due, where the amount of tax evaded was in excess of \$500.00 in a single calendar year.
3. The information in this affidavit derives from the investigation conducted by the Vermont Attorney General's Office in coordination with State Tax Investigator Frank Chapman, the results of which I have reviewed. That investigation included obtaining and reviewing the following documents relating to Diaz:

- Vermont Homestead Declarations
- Chittenden Bank Statements and Deposits
- Community National Bank Statements and Deposits
- Wire Transfers
- Town of Coventry Payroll Check Warrant Reports
- Town of Coventry Pay Stubs
- Gray's Paving & Sealing W-2's
- Vermont Department of Labor data

Vermont Department of Motor Vehicle license and registration records, and
Vermont Department of Taxes archives.

DIAZ RESIDENCY IN VERMONT

3. The Declaration of Vermont Homestead Form must be filed by Vermont residents who own and occupy a Vermont homestead on April 1st. Examination of such forms filed by Diaz establish that she was a resident of Vermont from at least 2004 to 2009. Diaz filed such declarations on or about April 15, 2004, April 5, 2005, April 1, 2006, February 1, 2007, April 9, 2008, and February 20, 2009. In each case, the completed declaration showed Coventry, Vermont to be Cynthia J. Diaz's legal residence.

4. Ms. Diaz has had a Vermont driver's license since at least 2002. Ms. Diaz earned Vermont income during the years 2003 through 2008 from employment. Ms. Diaz was employed at Gray's Paving and Sealing, Inc. at least during 2003. Ms. Diaz was elected as Town Clerk and Town Treasurer for the Town of Coventry in March, 2004, and has served in that capacity to date. I therefore have probable cause to believe that Ms. Diaz was a Vermont resident for the years 2003 – present.

DIAZ VERMONT INCOME

5. The investigation also disclosed that Ms. Diaz earned income in Vermont during the years in question. This was determined by the review of Ms. Diaz's checking account and employers' records. In particular, the following records were examined:

Chittenden Bank Personal Checking Account statements and deposits for Cynthia J. Diaz.

Community National Bank Personal Check Account statements and deposits for Cynthia J. Diaz.

Town of Coventry Payroll Check Warrants and Town of Coventry Individual Pay Stubs for Cynthia J. Diaz.

Wire Transfers into Diaz's bank accounts for the tax years 2006, 2007, 2008, and 2009 (partial year).

Gray's Paving and Sealing, Inc. W-2 for 2003 for Cynthia J. Diaz from the Department of Taxes archives.

VERMONT INCOME TAX DUE

6. Using these records, a summary of Income and Vermont Individual Income Tax Due was compiled. To calculate an estimated tax due for the years 2003 through 2008 the Taxpayer was assessed as single with no dependents. Because gross payroll amounts were

not available, the Taxpayer was not given credit for Vermont Taxes Withheld for the years 2004 and 2005 as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due for those years.

7. The estimated tax calculations, as determined by Investigator Chapman, for 2003 through 2008 are as follows:

2003

Vermont Adjusted Gross Income:	\$56,826.71
Standard Deduction	\$4,750.00
Exemption	\$3,050.00
Vermont Taxable Income	\$49,026.71
Vermont Income Tax	\$2,509.00
Credit for Vermont Taxes Withheld	\$473.64
Vermont Income Tax Due	\$2,035.36

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This estimated assessment may be revised when/if better information becomes available.

2004

Vermont Adjusted Gross Income:	\$33,758.54
Standard Deduction	\$4,850.00
Exemption	\$3,100.00
Vermont Taxable Income	\$25,808.54
Vermont Income Tax	\$931.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$931.00

Because gross payroll amounts were not available for 2004, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include

all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2005

Vermont Adjusted Gross Income:	\$19,429.28
Standard Deduction	\$5,000.00
Exemption	\$3,200.00
Vermont Taxable Income	\$11,229.28
Vermont Income Tax	\$405.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$405.00

Because gross payroll amounts were not available for 2005, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2006

Vermont Adjusted Gross Income:	\$68,644.33
Standard Deduction	\$5,150.00
Exemption	\$3,300.00
Vermont Taxable Income	\$60,194.33
Vermont Income Tax	\$3,220.00
Credit for Vermont Taxes Withheld	\$775.21
Vermont Income Tax Due	\$2,444.79

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2007

Vermont Adjusted Gross Income:	\$91,580.80
Standard Deduction	\$5,350.00
Exemption	\$3,400.00
Vermont Taxable Income	\$82,830.80
Vermont Income Tax	\$4,893.00
Credit for Vermont Taxes Withheld	\$863.03
Vermont Income Tax Due	\$4,029.97

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2008

Vermont Adjusted Gross Income:	\$51,791.90
Standard Deduction	\$5,450.00
Exemption	\$3,500.00
Vermont Taxable Income	\$42,841.90
Vermont Income Tax	\$1,914.00
Credit for Vermont Taxes Withheld	\$1,038.47
Vermont Income Tax Due	\$875.53

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

8. Tax Investigator Frank Chapman reported that he performed a diligent search of Vermont Department of Taxes records and archives, and that there is no record of Cynthia J. Diaz filing a Vermont Individual Income Tax Return for the years 2003, 2004, 2005, 2006, 2007, and/or 2008. This search was updated on February 5, 2010, and as of that date none of these returns had been filed.

9. On February 11, 2010, I went to the Coventry Town Clerk's Office in order to speak with Cynthia Diaz. I identified myself to her and explained why I was there, and she agreed to speak with me. I asked Diaz why she did not file tax returns in 2003 through 2008. Diaz

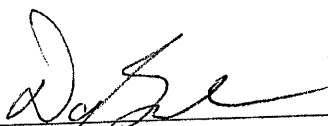
stated that she did not think she had made enough money after her child support deductions each year. I asked Diaz if she had checked the tax guidelines on when you must file or for information on child support deductions. She advised she had not. Diaz again stated that after the child support deductions, she did not think she made enough money per year to file. I then used the year 2008 as an example and explained to Diaz that she made a Gross Income of \$51,791.90. After deductions, including her child support she still had a taxable income of around \$40,000.00. I asked her if she thought she did not have to file on that amount of money. She did not answer and asked me where I got those figures. I explained through search warrants of her banking accounts and wire transfers. She asked when she would get a copy of those figures, I advised her upon arraignment.

10. I asked Diaz where the wire transfer money came from. Diaz advised it came from her father in law who lives in Panama. She explained that her ex-husband is supposed to pay her child support of six thousand dollars a year, three thousand dollars for each of her two children. He never pays it, so her father in law sends the money from Panama. She advised her ex-husband resides in Panama as well, so she is unable to take him to court on the support issue. I asked Diaz if she had anything to add about the failure to file her tax returns. She said no, other than she would like to resolve this issue and she did not think she made enough income to have to file. Diaz was then cited and I left the Town Clerk's Office.

11. Upon returning to my office, I checked the report of Tax Investigator Frank Chapman, Vermont Department of Taxes, and discovered Cynthia Diaz received more than the six thousand dollars a year in wire transfer money, as she had stated:

Year 2003- She received \$35,940.00 in transfers.
Year 2004- She received \$9,220.00 in transfers.
Year 2006- She received \$12,185.00 in transfers.
Year 2007- She received \$11,980.00 in transfers.
Year 2008- She received \$21,060.00 in transfers.

There are no figures for the year 2005, and the total wire transfer money she received for the five years is \$90,385.00.


Affiant- Darin Barber

Subscribed and sworn to before me on this 12th day of February, 2010.


Notary Public

WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657
<http://www.atg.state.vt.us>

8/30

April 8, 2011

Claire Mee, Superior Court Clerk
Vermont Superior Court
Criminal Division, Washington Unit
225 North Main St.
Barre, VT 05641

Re: State of Vermont v. Cynthia Diaz
Docket No.

Dear Claire:

Enclosed for filing with the Court in the above-referenced case against Ms. Diaz, please find the following:

- 1) Information by Attorney General with accompanying Affidavits of Probable Cause and Summary of Income and Vermont Individual Income Tax Due from 2003 to 2008.
- 2) Citation to appear on April, 14, 2011
- 3) Arrest Custody Report
- 4) Defendant's Criminal History

Please send all notices of hearing and correspondence in this case to the undersigned at the Criminal Division of the Vermont Attorney General's Office, 109 State St., Montpelier, Vermont 05609-1001.

Thank you, and please contact me if you need any further information at 802-828-5512.

Sincerely,

A handwritten signature in black ink, appearing to read "Ultan Doyle".

Ultan Doyle
Assistant Attorney General

Enclosures

STATE OF VERMONT
District Court of Vermont
CITATION

County <i>Washington</i>

TO: *Cynthia Diaz*

DOB: *2-16-68*

BY THE AUTHORITY OF THE STATE OF VERMONT, you are hereby ordered to appear before a Judicial Officer at the District Court of Vermont, at the following time and place:

Date <i>4-14-11</i>	Time <i>10pm</i>	Unit <i>II</i>	Circuit <i>Superior</i>
Town/City <i>Barre</i>	County <i>Washington</i>	to answer to the charge of	
Offense <i>Filing a false or fraudulent return</i>			

An information charging you with this offense will be presented at the time of your appearance.

IF YOU DO NOT APPEAR AT THE TIME AND PLACE ORDERED, A WARRANT WILL BE ISSUED FOR YOUR ARREST AND YOU MAY BE SUBJECT TO ADDITIONAL CHARGES AND PENALTIES.

Date Issued: <i>3-24-11</i>	Town/City <i>Montpelier</i>	County <i>Washington</i>
Signature - Issuing Officer <i>[Signature]</i>		Title/Dept. <i>Det 1 AGO</i>

I received this Citation on:

Date	Signature - Defendant <i>Via Attorney Vincent</i>
------	--

R 5M 7/96 V.C.I.

White - Court's Copy

Yellow - Officer's Copy

Pink - Defendant's Copy

SUPERIOR COURT
Washington Unit

CRIMINAL DIVISION
Docket No.

STATE OF VERMONT)

v.)

CYNTHIA DIAZ)

INFORMATION BY ATTORNEY GENERAL

BY THE AUTHORITY OF THE STATE OF VERMONT, the Attorney General
for the State of Vermont, upon his oath of office, charges:

COUNT 1

FALSE RETURN

**CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F**

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who knowingly filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2003 calendar year with an adjusted gross income of \$15,811.00, when her adjusted gross income was \$57,035.78, in order to evade paying a tax liability in the amount of \$1,092.97, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

COUNT 2
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2004 calendar year with an adjusted gross income of \$4,100.00, when her adjusted gross income was \$35,425.34, in order to evade paying a tax liability in the amount of \$595.78, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 3
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN,
OFFENSE CLASS: M

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2005 calendar year with an adjusted gross income of \$27,319.00, when her adjusted gross income was \$32,820.24, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than one year or a fine of not more than \$1,000.00 or both.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

COUNT 4
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2006 calendar year with an adjusted gross income of \$26,066.00, when her adjusted gross income was \$74,299.25, in order to evade paying a tax liability in the amount of \$1,747.57, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 5
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2007 calendar year with an adjusted gross income of \$28,779.00, when her adjusted gross income was \$94,453.63, in order to evade paying a tax liability in the amount of \$3,043.29, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 6

FALSE RETURN

CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN \$500 OR LESS, OFFENSE CLASS: M

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount of \$500.00 or less: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2008 calendar year with an adjusted gross income of \$30,732.00, when her adjusted gross income was \$51,791.70, in order to evade paying a tax liability in the amount of \$158.53, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than one year or a fine of not more than \$1,000.00 or both.

Dated this 6 day of April, 2011.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By: 

ULTAN DOYLE

Office of the
ATTORNEY
GENERAL
Montpelier,
Vt. 05609

This information was presented to me and I have found probable cause this _____
day of April, 2011.

Superior Court Judge

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

AFFIDAVIT OF PROBABLE CAUSE

Now Comes Detective Darin Barber of the Vermont Attorney General's Office, affiant, being duly sworn and on oath, deposes and says he has probable cause to believe that **Cynthia Diaz (DOB 2/16/68)** has on or about August 3, 2010 committed four FELONIES and two MISDEMEANORS FOR FILING A FALSE OR FRAUDULENT RETURN, in violation of Title 32 VSA, Section 5894(e).

1. I am a certified full-time law enforcement officer in the State of Vermont and have been employed as a criminal investigator by the Vermont Attorney General's Office since July, 2008.
2. The information in this affidavit derives from an investigation conducted by the Vermont Attorney General's Office in coordination with former State Tax Investigator Frank Chapman. The information in this affidavit also derives from an investigation conducted by Patti Palmer, a tax examiner, who is currently employed by the Vermont Department of Taxes. In drafting this affidavit, I reviewed the results of both investigations.

The Chapman Investigation

3. The investigation conducted by Mr. Chapman revealed that Ms. Diaz failed to file Vermont State Income Tax returns for the tax years 2003, 2004, 2005, 2006, 2007, and 2008 and that she was a resident of Vermont and had taxable income for those tax years. The investigation also revealed that Ms. Diaz owed state income tax payments in excess of \$500 for each of those tax years, with the exception of tax year 2005.
4. Based on the results of Mr. Chapman's investigation, I drafted an affidavit of probable cause to support the filing of charges against Ms. Diaz for failure to file tax returns and failure to pay taxes for the years 2004, 2005, 2007, 2008, and 2009. This affidavit, which was dated February 12, 2010, is incorporated by reference herein.
5. In an information dated February 12, 2010, the State of Vermont charged Ms. Diaz with five felony counts of failure to file a tax return and failure to pay taxes for the years 2004, 2005, 2007, 2008, and 2009. These charges are still pending.

The Palmer Investigation

6. On September 13, 2010, Brenda Vovakes, Director of Compliance at the Vermont Department of Taxes, delivered to tax examiner, Patti Palmer, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 filed returns for Ms. Diaz. All seven tax returns had been prepared by Randall Northrup, CPA for Ms. Diaz. Each tax return was signed on August 3, 2010. The income reported on Ms. Diaz's filed 2003-2008 Vermont Income Tax Returns was as follows:


7.	2003 Vermont Income Tax Return Adjusted Gross Income reported	\$ 15,811.00
	Wages: Newport Car Wash & Mini Mart	\$ 302.75
	Wages: Gray's Paving & Sealing	<u>15,508.00</u>
	Total income shown on return	<u>\$15,810.75</u>
8.	2004 Vermont Income Tax Return Adjusted Gross Income reported	\$ 4,100.00
	Wages: Spates Construction	\$ 1,546.65
	Wages: Shiva Retail Services	466.89
	Wages: Newport Car Wash & Mini Mart	<u>2,086.52</u>
	Total income shown on return	<u>\$ 4,100.06</u>
9.	2005 Vermont Income Tax Return Adjusted Gross Income reported	\$ 27,319.00
	Wages: Town of Coventry	\$ 24,639.24
	Wages: Gray's Paving and Sealing, Inc.	1,600.00
	Capital Gain	587.00
	Interest	275.00
	Dividends	<u>218.00</u>
	Total income shown on return	<u>\$ 27,319.24</u>
10.	2006 Vermont Income Tax Return Adjusted Gross Income reported	\$ 26,066.00
	Wages: Town of Coventry	\$ 26,066.12
	Total income shown on return	<u>\$26,066.12</u>
11.	2007 Vermont Income Tax Return Adjusted Gross Income reported	\$ 28,779.00
	Wages: Town of Coventry	\$27,697.86
	Interest	<u>1,081.00</u>
	Total income shown on return	<u>\$ 28,778.86</u>
12.	2008 Vermont Income Tax Return Adjusted Gross Income reported	\$ 30,732.00
	Wages: Town of Coventry	\$ 30,941.96

Total income shown on return

\$ 30,941.96

13. On September 24, 2010, Ms. Palmer requested copies of all source documents used to prepare these returns from Mr. Northrop. On October 06, 2010, she received copies of the federal returns and W-2s as requested.
14. Ms. Palmer's review of the returns showed that Ms. Diaz provided Mr. Northrop, with only wage income for years 2003, 2004, 2006 and 2008. On her 2005 return, wages, interest, dividends and a capital gain were reported. On the 2007 return, wages and interest were reported. No other types of income were reported.
15. Ms. Palmer prepared a Summary of Income and Vermont Individual Income Tax Due (incorporated by reference herein). The source documents for this summary were: Federal returns and W-2s provided by Randall Northrop, CPA, Schedule of Vermont Income and Wire Transfers and Wage and Income transcripts from the Internal Revenue Service. To calculate an estimated tax due for the years 2003 through 2008 the Taxpayer was assessed as head of household with 2 dependents. Taxpayer has a Time Deposit account and a Savings account in the Pribanco International LTD Bank in the Bahamas. The investment income residing in these offshore accounts disqualifies Taxpayer from the Earned Income Tax Credit. The estimated tax calculations for 2003 through 2008 are as follows:
16. The 2003 estimated assessment included a Vermont Adjusted Gross Income of \$57,035.78; a Standard Deduction of \$7,000.00; Exemption of \$9,150.00; Vermont Taxable Income of \$40,885.78; Vermont Income Tax of \$1,572.00; Credit for Vermont Taxes Withheld of \$479.03; and a Vermont Income Tax Due of \$1,092.97.
17. The 2004 estimated assessment included a Vermont Adjusted Gross Income of \$35,425.34; a Standard Deduction of \$7,150.00; Exemption of \$9,300.00; Vermont Taxable Income of \$18,975.34; Vermont Income Tax of \$682; Credit for Vermont Taxes Withheld of \$86.22; and a Vermont Income Tax Due of \$595.78.
18. The 2005 estimated assessment included a Vermont Adjusted Gross Income of \$32,820.24; a Standard Deduction of \$7,300.00; Exemption of \$9,600.00; Vermont Taxable Income of \$15,920.24; Vermont Income Tax of \$574.00; Credit for Vermont Taxes Withheld of \$841.83; and an overpayment of \$267.83. This overpayment is not refundable due to the statute requiring a return to be filed within 3 years of the due date of the return.
19. The 2006 estimated assessment included a Vermont Adjusted Gross Income of \$74,299.25; a Standard Deduction of \$7,550.00; Exemption of \$9,900.00; Vermont Taxable Income of \$56,849.25; Vermont Income Tax of \$2,616.00; Credit for Vermont Taxes Withheld of \$868.43 and a Vermont Income Tax Due of \$1,747.57.

20. The 2007 estimated assessment included a Vermont Adjusted Gross Income of \$94,453.63; a Standard Deduction of \$7,850.00; Exemption of \$10,200.00; Vermont Taxable Income of \$76,403.63; Vermont Income Tax of \$3,966.00; Credit for Vermont Taxes Withheld of \$922.71; and a Vermont Income Tax Due of \$3,043.29.
21. The 2008 estimated assessment included a Vermont Adjusted Gross Income of \$51,791.70; a Standard Deduction of \$8,000.00; Exemption of \$10,500.00; Vermont Taxable Income of \$33,291.70; Vermont Income Tax of \$1,197.00; Credit for Vermont Taxes Withheld of \$1,038.47; and a Vermont Income Tax Due of \$158.53.
22. Conclusion: The 2003, 2004, 2005, 2006, 2007 and 2008 Vermont income tax returns, as filed, are inaccurate. Taxpayer owes Vermont income tax for 2003, 2004, 2006, 2007 and 2008. Vermont income tax due is over \$500.00 for 2003, 2004, 2006 and 2007. Tax due is under \$500.00 for 2008. Based upon these facts and circumstances, this officer believes that probable causes exists to charge Cynthia Diaz (DOB 2/16/68) with the offenses of **FILING A FALSE OR FRAUDULENT RETURN**, in violation of Title 32 VSA, Section 5894(e).


Affiant- Darin Barber

Subscribed and sworn to before me on this 24th day of March, 2011.


Notary Public

AFFIDAVIT of PROBABLE CAUSE

Now Comes Detective Darin Barber of the Vermont Attorney General's Office, affiant, being duly sworn and on oath, deposes and says he has probable cause to believe that **Cynthia Diaz, DOB 2/16/68** has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO FILE TAX RETURN**, a violation of Title 32 VSA, Section 5894(d); has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO PAY TAX**, a violation of Title 32 VSA, Section 5894(d).

INTRODUCTION

1. I am a certified full-time law enforcement officer in the State of Vermont and have been employed as a criminal investigator by the Vermont Attorney General's Office since July, 2008.
2. In December, 2008, an investigation was opened into activities of Cynthia Diaz. As a result of that investigation, it was learned that Diaz failed to file Vermont State Income Tax returns for the tax years 2003, 2004, 2005, 2006, 2007, and 2008. Further investigation revealed that Diaz was a resident of the State of Vermont and had taxable income for those tax years. State Tax Investigator Frank Chapman calculated the income tax payments due from Diaz from those years, using the information available to him. Those calculations indicated that Diaz owed state income tax payments in excess of \$500 for each of those tax years, with the exception of tax year 2005. The tax due for 2005 was less than \$500, and therefore the failure to pay that tax, and the failure to file a return for that year, are misdemeanors for which the statute of limitations has expired. For each of the remaining years, probable cause exists that Diaz failed to file a tax return with intent to evade a tax liability, where the amount of tax evaded was in excess of \$500.00 in a single calendar year, a felony. In addition, for each of the remaining years, probable cause exists that Diaz, with intent to evade a tax liability, failed to pay a tax when due, where the amount of tax evaded was in excess of \$500.00 in a single calendar year.
3. The information in this affidavit derives from the investigation conducted by the Vermont Attorney General's Office in coordination with State Tax Investigator Frank Chapman, the results of which I have reviewed. That investigation included obtaining and reviewing the following documents relating to Diaz:

- Vermont Homestead Declarations
- Chittenden Bank Statements and Deposits
- Community National Bank Statements and Deposits
- Wire Transfers
- Town of Coventry Payroll Check Warrant Reports
- Town of Coventry Pay Stubs
- Gray's Paving & Sealing W-2's
- Vermont Department of Labor data

Vermont Department of Motor Vehicle license and registration records, and
Vermont Department of Taxes archives.

DIAZ RESIDENCY IN VERMONT

3. The Declaration of Vermont Homestead Form must be filed by Vermont residents who own and occupy a Vermont homestead on April 1st. Examination of such forms filed by Diaz establish that she was a resident of Vermont from at least 2004 to 2009. Diaz filed such declarations on or about April 15, 2004, April 5, 2005, April 1, 2006, February 1, 2007, April 9, 2008, and February 20, 2009. In each case, the completed declaration showed Coventry, Vermont to be Cynthia J. Diaz's legal residence.

4. Ms. Diaz has had a Vermont driver's license since at least 2002. Ms. Diaz earned Vermont income during the years 2003 through 2008 from employment. Ms. Diaz was employed at Gray's Paving and Sealing, Inc. at least during 2003. Ms. Diaz was elected as Town Clerk and Town Treasurer for the Town of Coventry in March, 2004, and has served in that capacity to date. I therefore have probable cause to believe that Ms. Diaz was a Vermont resident for the years 2003 – present.

DIAZ VERMONT INCOME

5. The investigation also disclosed that Ms. Diaz earned income in Vermont during the years in question. This was determined by the review of Ms. Diaz's checking account and employers' records. In particular, the following records were examined:

Chittenden Bank Personal Checking Account statements and deposits for Cynthia J. Diaz.

Community National Bank Personal Check Account statements and deposits for Cynthia J. Diaz.

Town of Coventry Payroll Check Warrants and Town of Coventry Individual Pay Stubs for Cynthia J. Diaz.

Wire Transfers into Diaz's bank accounts for the tax years 2006, 2007, 2008, and 2009 (partial year).

Gray's Paving and Sealing, Inc. W-2 for 2003 for Cynthia J. Diaz from the Department of Taxes archives.

VERMONT INCOME TAX DUE

6. Using these records, a summary of Income and Vermont Individual Income Tax Due was compiled. To calculate an estimated tax due for the years 2003 through 2008 the Taxpayer was assessed as single with no dependents. Because gross payroll amounts were

not available, the Taxpayer was not given credit for Vermont Taxes Withheld for the years 2004 and 2005 as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due for those years.

7. The estimated tax calculations, as determined by Investigator Chapman, for 2003 through 2008 are as follows:

2003

Vermont Adjusted Gross Income:	\$56,826.71
Standard Deduction	\$4,750.00
Exemption	\$3,050.00
Vermont Taxable Income	\$49,026.71
Vermont Income Tax	\$2,509.00
Credit for Vermont Taxes Withheld	\$473.64
Vermont Income Tax Due	\$2,035.36

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This estimated assessment may be revised when/if better information becomes available.

2004

Vermont Adjusted Gross Income:	\$33,758.54
Standard Deduction	\$4,850.00
Exemption	\$3,100.00
Vermont Taxable Income	\$25,808.54
Vermont Income Tax	\$931.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$931.00

Because gross payroll amounts were not available for 2004, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include

all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2005

Vermont Adjusted Gross Income:	\$19,429.28
Standard Deduction	\$5,000.00
Exemption	\$3,200.00
Vermont Taxable Income	\$11,229.28
Vermont Income Tax	\$405.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$405.00

Because gross payroll amounts were not available for 2005, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2006

Vermont Adjusted Gross Income:	\$68,644.33
Standard Deduction	\$5,150.00
Exemption	\$3,300.00
Vermont Taxable Income	\$60,194.33
Vermont Income Tax	\$3,220.00
Credit for Vermont Taxes Withheld	\$775.21
Vermont Income Tax Due	\$2,444.79

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2007

Vermont Adjusted Gross Income:	\$91,580.80
Standard Deduction	\$5,350.00
Exemption	\$3,400.00
Vermont Taxable Income	\$82,830.80
Vermont Income Tax	\$4,893.00
Credit for Vermont Taxes Withheld	\$863.03
Vermont Income Tax Due	\$4,029.97

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2008

Vermont Adjusted Gross Income:	\$51,791.90
Standard Deduction	\$5,450.00
Exemption	\$3,500.00
Vermont Taxable Income	\$42,841.90
Vermont Income Tax	\$1,914.00
Credit for Vermont Taxes Withheld	\$1,038.47
Vermont Income Tax Due	\$875.53

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

8. Tax Investigator Frank Chapman reported that he performed a diligent search of Vermont Department of Taxes records and archives, and that there is no record of Cynthia J. Diaz filing a Vermont Individual Income Tax Return for the years 2003, 2004, 2005, 2006, 2007, and/or 2008. This search was updated on February 5, 2010, and as of that date none of these returns had been filed.

9. On February 11, 2010, I went to the Coventry Town Clerk's Office in order to speak with Cynthia Diaz. I identified myself to her and explained why I was there, and she agreed to speak with me. I asked Diaz why she did not file tax returns in 2003 through 2008. Diaz

stated that she did not think she had made enough money after her child support deductions each year. I asked Diaz if she had checked the tax guidelines on when you must file or for information on child support deductions. She advised she had not. Diaz again stated that after the child support deductions, she did not think she made enough money per year to file. I then used the year 2008 as an example and explained to Diaz that she made a Gross Income of \$51,791.90. After deductions, including her child support she still had a taxable income of around \$40,000.00. I asked her if she thought she did not have to file on that amount of money. She did not answer and asked me where I got those figures. I explained through search warrants of her banking accounts and wire transfers. She asked when she would get a copy of those figures, I advised her upon arraignment.

10. I asked Diaz where the wire transfer money came from. Diaz advised it came from her father in law who lives in Panama. She explained that her ex-husband is supposed to pay her child support of six thousand dollars a year, three thousand dollars for each of her two children. He never pays it, so her father in law sends the money from Panama. She advised her ex-husband resides in Panama as well, so she is unable to take him to court on the support issue. I asked Diaz if she had anything to add about the failure to file her tax returns. She said no, other than she would like to resolve this issue and she did not think she made enough income to have to file. Diaz was then cited and I left the Town Clerk's Office.

11. Upon returning to my office, I checked the report of Tax Investigator Frank Chapman, Vermont Department of Taxes, and discovered Cynthia Diaz received more than the six thousand dollars a year in wire transfer money, as she had stated:

Year 2003- She received \$35,940.00 in transfers.

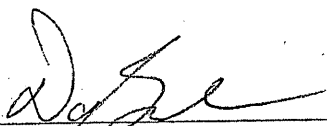
Year 2004- She received \$9,220.00 in transfers.

Year 2006- She received \$12,185.00 in transfers.

Year 2007- She received \$11,980.00 in transfers.

Year 2008- She received \$21,060.00 in transfers.

There are no figures for the year 2005, and the total wire transfer money she received for the five years is \$90,385.00.


Affiant- Darin Barber

Subscribed and sworn to before me on this 12th day of February, 2010.


Notary Public

Cynthia J. Diaz

Summary of Income and Vermont Individual Income Tax Due

Source: Schedule of Vermont Income for the Years 2003, 2004, 2005, 2006, 2007, and 2008

Payroll Summary of 2006, 2007, and 2008

ppp: 03/22/2011

Description	Vt. Income or Gross Wages	Vermont Withholding Tax	Vermont Adjusted Gross Income	Standard Deductions	Vermont Taxable Income	Vermont Income Tax	Vermont Withholding Tax	Vermont Income Tax Due
2003								
Gray's Paving & Sealing, Inc.	\$15,508.00	\$473.64						
Newport Car Wash	\$302.75	\$5.39						
Bookkeeping/Accounting Income	\$2,657.23							
From Wire Transfers to Chittenden	\$35,940.00							
Cash Deposits	\$2,477.80							
Check from Sonia Curtis	\$150.00							
Totals	\$57,035.78	\$479.03	\$57,035.78	\$7,000.00	\$9,150.00	\$40,885.78	\$1,572.00	\$479.03 \$1,092.97
2004								
Town of Coventry	\$10,860.59							
Gray's Paving & Sealing, Inc.	\$4,997.41							
Newport Carwash	\$2,086.52	\$48.58						
Shiva Retail	\$466.89	\$7.64						
Spates Construction	\$1,546.65	\$30.00						
Bookkeeping/Accounting Income	\$5,897.28							
From Wire Transfers to Chittenden	\$9,220.00							
Cash Deposits	\$300.00							
Check from Sonia Curtis	\$50.00							
Totals	\$35,425.34	\$86.22	\$35,425.34	\$7,150.00	\$9,300.00	\$18,975.34	\$682.00	\$86.22 \$595.78

Cynthia J. Diaz

Summary of Income and Vermont Individual Income Tax Due

Source: Schedule of Vermont Income for the Years 2003, 2004, 2005, 2006, 2007, and 2008

Payroll Summary of 2006, 2007, and 2008

prp: 03/22/2011

Description	Vt. Income or Gross Wages	Vermont Withholding Tax	Vermont Adjusted Gross Income	Standard Deductions	Exemptions	Vermont Taxable Income	Vermont Income Tax	Vermont Withholding Tax	Vermont Income Tax Due
2007									
Town of Coventry	\$27,697.86							\$922.71	
Closing USA LLC Escrow Account	\$38,333.88								
North Country Mountaineers, Inc.	\$125.00								
Bookkeeping/Accounting Income	\$35.00								
Edward Jones	\$15,031.89								
Lisa Marie Desroches	\$20.00								
Don Bowen	\$10.00								
Walter Tarbox	\$100.00								
Interest	\$1,086.00								
Dividends	\$34.00								
From Wire Transfers	\$11,980.00								
Totals	\$94,453.63	\$922.71	\$94,453.63	\$7,850.00	\$10,200.00	\$76,403.63	\$3,966.00	\$922.71	\$3,043.29
2008									
Town of Coventry	\$30,731.70	\$1,038.47							
From Wire Transfers	\$21,060.00								
Totals	\$51,791.70	\$1,038.47	\$51,791.70	\$8,000.00	\$10,500.00	\$33,291.70	\$1,197.00	\$1,038.47	\$158.53

Calculations:

Taxpayer was assessed as Head of Household with 3 Exemptions.
Withholding was not available in 2004 from Town of Coventry and Gray's Paving & Sealing.

**VERMONT OFFICE OF THE ATTORNEY GENERAL
ARREST SUMMARY REPORT/BAIL STATEMENT**

CASE # 10AG000010 ARRESTING OFFICER: Darin Barber AGENCY VTAG

* LAST NAME: Diaz FIRST NAME: Cynthia MIDDLE NAME: Jean

* STREET ADDRESS: 2550 Coventry Station Road CTY, STATE, ZIP Coventry, Vermont 05825

* DOB 02/16/1968 POB _____ SOCIAL SECURITY # *redacted*

* PREVIOUS FULL ADDRESS PO Box 343 Newport, Vermont 05855

* HOW LONG AT PRESENT ADDRESS _____ *HOW LONG AT PREVIOUS ADDRESS _____

HOME PHONE NUMBER (802)754-2586 WORK PHONE NUMBER (802)754-2288

*OCCUPATION Coventry Town Clerk *EMPLOYER Town of Coventry

EMPLOYER ADDRESS Main Street Coventry, Vermont *HOW LONG EMPLOYED 2004 to present

STATE ID# 292432 FBI# _____ LICENSE #31842204 STATE Vermont

SEX: F RACE: W HEIGHT: 05'06" WEIGHT: 150 lbs.

EYE COLOR: BLU HAIR COLOR: BRO

*MARITAL STATUS: DIV (ALIAS NAME(S) _____

SCARS / MARKS / TATOOS / ETC _____

OTHER (glasses, beard, etc) _____

* TIES TO THE COMMUNITY _____

* Is defendant currently on probation? N * Were alcohol and/or drugs a factor in the offense? N

* Were weapons a factor in the offense? N * How much cash on hand does defendant have? _____

ARREST DATA

* OFFENSE NAME: Failure to File Tax Returns
TITLE: 32 SECTION: 5894(d) OFFENSE CODE _____ TIME / DATE OFFENSE: 2003-2008

* OFFENSE NAME: Failure to Pay Tax
TITLE: 32 SECTION: 5894(d) OFFENSE CODE _____ TIME / DATE OFFENSE: 2003-2008

* OFFENSE NAME: _____
TITLE: _____ SECTION: _____ OFFENSE CODE _____ TIME / DATE OFFENSE: _____ / _____ / _____

OFFENSE LOCATION Coventry, Vermont TOWN CODE 1005

ARREST/CITATION LOCATION Coventry, Vermont TOWN CODE 1005

CITED ON- 02-11-2010 TO APPEAR-02-18-2010

FINGERPRINTS- VINE SYSTEM OR CARDS Officer/PD _____ DATE- _____

JUVENILE INFORMATION

FATHER / LAST NAME _____ FIRST _____ MIDDLE _____

MOTHER / LAST NAME _____ FIRST _____ MIDDLE _____

***THIS INFORMATION MUST BE PROVIDED WHEN MAKING BAIL CALL**

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

MA

Cynthia J. Diaz
2550 Coventry Station Road
Coventry VT 05825

NOTICE OF HEARING

April 13, 2011

Re: Attorney General vs. Diaz, Cynthia J.
Docket No. 419-4-11 Wncr

Both Cases

This is to notify you to appear at the Court named above in connection with the above-named case for the following:

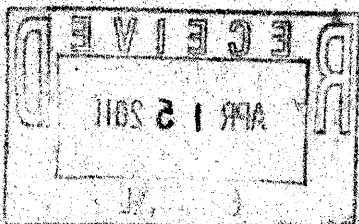
Status Conference

Monday June 20, 2011 at 02:00 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.

Criminal Division Clerk

cc: Attorney representing Attorney General



VERMONT SUPERIOR COURT
JUDICIAL DEPARTMENT
STATE OF VERMONT
CLERK OF COURT
100 STATE STREET
MONTPELIER, VERMONT 05602
(802) 255-4000

ALL

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JULY 1, 2011
CLERK OF COURT

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JULY 1, 2011
CLERK OF COURT

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APR 15 2011
CRIMINAL

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org : (802) 479-4252

ENTRY ORDER

June 20, 2011

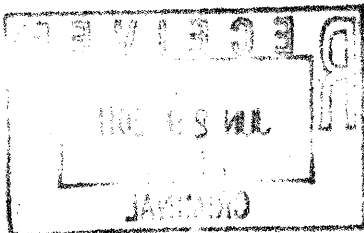
Attorney General vs. Diaz, Cynthia J.

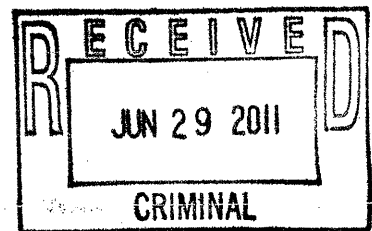
Docket No. 419-4-11 Wncr

Complete discovery and motions by 8/5/11 and the case will be set for status
in mid Aug.

Ordered by:
Superior Judge H. E. VanBenthuyzen

H. E. VanBenthuyzen





Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

March 22, 2011

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

Status Conference

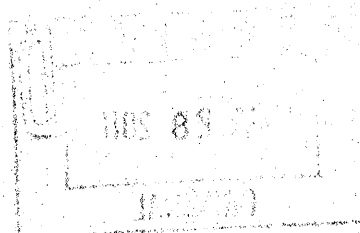
Monday June 20, 2011 at 02:00 PM

This is being rescheduled from 6/17

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.

Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



Various other items
Washington Criminal Division
300 West Main Street, Suite 100
Portland, Oregon 97201
(503) 464-1000

100 North Main Street
Portland, Oregon 97201
(503) 464-1000

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11-11-01

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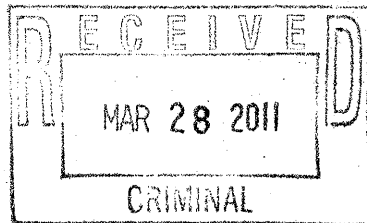
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RECEIVED



WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657

<http://www.atg.state.vt.us>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

May 13, 2011

Claire Mee, Superior Court Clerk
Vermont Superior Court
Criminal Division, Washington Unit
225 North Main St.
Barre, VT 05641

Re: State of Vermont v. Cynthia Diaz
Docket Nos. 171-2-10 Wncr and 419-4-11 Wncr

Dear Claire:

Enclosed for filing with the Court in the above-referenced case against Ms. Diaz, please find a motion for joinder. Thank you, and please contact me if you need any further information at 802-828-5512.

Sincerely,

A handwritten signature in black ink, appearing to read "Ultan Doyle".

Ultan Doyle
Assistant Attorney General

Cc: Maggie Vincent, Esq.

STATE OF VERMONT

SUPERIOR COURT
Washington Unit

CRIMINAL DIVISION
Docket No. 171-2-10 Wncr

STATE OF VERMONT

v.

CYNTHIA DIAZ

MOTION FOR JOINDER

Pursuant to Rule 8(a)(2) of the Vermont Rules of Criminal Procedure, the Attorney General for the State of Vermont, moves this Court to join the charges filed in the above referenced case with the charges filed in 419-4-11 Wncr.

Background

1. In February 2010, the defendant was charged in Washington Superior Court (Criminal Division) with five felony counts of failure to file a tax return and five felony counts of failure to pay tax for the years 2003 and 2004 and the years 2006 to 2008.¹
2. In April of 2011, the defendant was charged with four felony and two misdemeanor counts of filing a false tax return for the years 2003 to 2008, based on tax returns she filed for those years in August of 2010.²
3. Regardless of whether both dockets are tried or together, they will involve testimony from almost all of the same witnesses. Moreover, the evidence required to prove the failure to pay tax charges is almost exactly the same as the evidence required to prove the false tax return charges.

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

¹ The State also had evidence that the defendant failed to file a tax return and pay tax for the year 2005. However, the income tax due for that year was less than \$500, a misdemeanor, for which the statute of limitations had expired.

² With the exception of 2005, the defendant had a tax liability to the State of Vermont for the years 2003-2008.

Argument

Pursuant to V.R.Cr.P. 8(a)(2), the charge in the above docket and the charge in 419-4-11 Wncr should be joined because both charges were part of a common scheme or plan. Two or more offenses may be joined in one information, with each offense stated in a separate count, when the offenses "are based on the same conduct or on a series of acts connected together or constituting parts of a single scheme or plan." V.R.Cr.P. 8(a)(2). "When offenses are part of a single scheme or plan . . . , there is no absolute right to severance." *State v. Willis*, 181 Vt. 170, 179 (2006). "The defendant must instead show before trial that severance is appropriate or, at trial, necessary for 'a fair determination' of his 'guilt or innocence of each offense.'" *Id.* (quoting V.R.Cr.P. 14(b)(1)(B)).

In this case, the alleged offenses were part of a common scheme or plan. The defendant was initially charged with failing to file a tax return or pay taxes for the years 2003, 2004, and 2006 to 2008. Six months later, the State charged the defendant for filing false tax returns for the years 2003 to 2008. If docket 171-2-10 Wncr and docket 419-4-11 Wncr were to proceed to trial, the evidence required to prove that the defendant failed pay taxes for the years 2003, 2004, and 2006 to 2008 would be almost exactly the same as the evidence required to prove that the defendant filed false tax returns for the years 2003 to 2008. That is because convictions in both dockets hinge on whether a jury would find beyond a reasonable doubt that the defendant had a tax liability for the years 2003 to 2008 based on income that the State says the defendant should have reported during those years. In other words, the alleged failure to pay taxes and the alleged filing of false returns is based on the same tax liability, which the State claims the defendant was trying to evade. Therefore, the charged offenses in this case are part of a common scheme or plan under V.R.Cr.P. 8(a)(2).

The defendant may argue that the dockets at issue should not be joined because trying them separately is necessary to assure a "fair determination" of her "guilt or innocence of each of offense." V.R.Cr.P. 14(b)(1)(B). However, in order to do so, she must demonstrate "substantial evidence of prejudice." *State v. LaBounty*, 168 Vt. 129, 133 (1998) (citation omitted). This the defendant cannot do because a jury will either convict or acquit based on the same evidence, i.e., the failure to disclose income from the years 2003 to 2008, regardless of whether the dockets are joined or tried separately. Moreover, even if these dockets were to be tried separately, the evidence in both dockets would be admissible in each trial in order to demonstrate that the defendant's conduct was part of a concerted scheme or plan under V.R.E. 404(b). *See LaBounty*, 168 Vt. at 135.

Conclusion

For the foregoing reasons, the State respectfully requests that its motion for joinder be granted.

Dated: May 11, 2011.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By: Utan Doyle
Utan Doyle
Assistant Attorney General

Office of the
ATTORNEY
GENERAL
109 State Street
Montpelier, VT
05609

Cc: Maggie Vincent, Esq.

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

ENTRY REGARDING MOTION

Docket No: 171-2-10 Wncr Attorney General vs. Diaz, Cynthia
171-2-10 Wncr, count 1 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 2 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 3 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 4 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 5 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
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171-2-10 Wncr, count 9 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 10 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500

Title of Motion: Motion To Joinder, No. 2
Date Motion Filed: May 16, 2011
Motion Filed By: Doyle, Ultan, Attorney for:
Plaintiff Attorney General

☒ Granted

☐ Denied

☐ Scheduled for hearing on: _____ at _____; Time Allotted _____

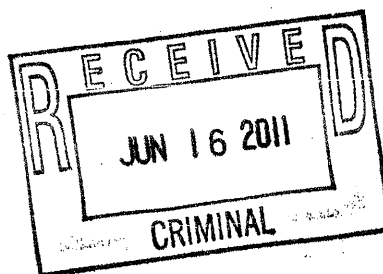
☒ Other

Not opposed - no response from Defendant.

HE Van Benthuyzen
Judge

6/13/11
Date

Date copies sent to: GA 15/11 Clerk's Initials AT
Maggie Vincent PD, Attorney for Defendant, Cynthia J. Diaz
Ultan Doyle, Attorney for Plaintiff, Attorney General



Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

N O T I C E O F H E A R I N G

June 14, 2011

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

~~This is to notify you to appear at the Court named above in connection with~~
the above-named case for the following:

Status Conference

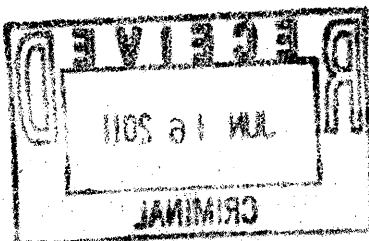
Monday June 20, 2011 at 02:00 PM

This is being rescheduled from 6/17

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



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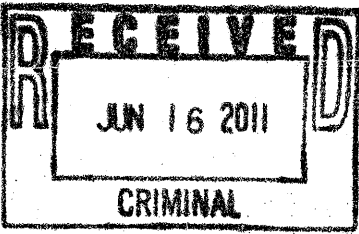
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Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

June 14, 2011

Re: Attorney General vs. Diaz, Cynthia J.
Docket No. 419-4-11 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

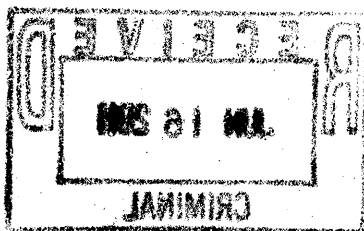
Status Conference

Monday June 20, 2011 at 02:00 PM

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WARRANT BEING ISSUED.


Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



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Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

ENTRY REGARDING MOTION

Docket No: 171-2-10 Wncr Attorney General vs. Diaz, Cynthia
171-2-10 Wncr, count 1 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 2 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
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171-2-10 Wncr, count 9 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
171-2-10 Wncr, count 10 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500

Title of Motion: Motion To Joinder, No. 2
Date Motion Filed: May 16, 2011
Motion Filed By: Doyle, Ultan, Attorney for:
Plaintiff Attorney General

FILED

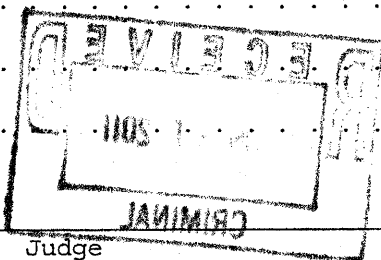
MAY 24 2011

___ Granted
___ Denied
___ Scheduled for hearing on: ___
___ Other

VERMONT SUPERIOR COURT
WASHINGTON

5/23 Please
return with
def's response w
on 6/7/11, which
comes first. Thanks
Judge V

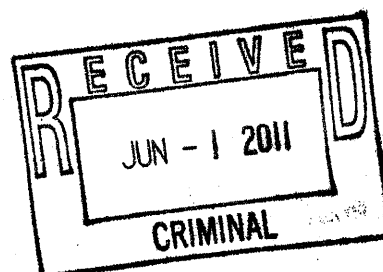
lotted ___



Judge

Date

Date copies sent to: _____ Clerk's Initials _____
Maggie Vincent PD, Attorney for Defendant, Cynthia J. Diaz
Ultan Doyle, Attorney for Plaintiff, Attorney General



Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont, 05641
www.VermontJudiciary.org -- (802) 479-4252

ORDER ON ASSIGNMENT OF COUNSEL

April 14, 2011

Attorney General vs. Diaz, Cynthia J.

Docket Number: 419-4-11 Wncr

Applicant: Cynthia J. Diaz

THE APPLICANT IS ELIGIBLE FOR PUBLIC DEFENDER SERVICES

Order Date: April 14, 2011

The applicant is ordered to pay a total of \$580.00 for the services of counsel assigned by the Court. [Agreement #42045]

The applicant is ordered to pay \$ immediately to the State of Vermont as a down payment ("co-payment"). Payment shall be made to the Clerk of the Court.

The applicant is ordered to pay the balance of the total payment, \$580.00 ("reimbursement") to the Clerk of this Court by June 13, 2011.

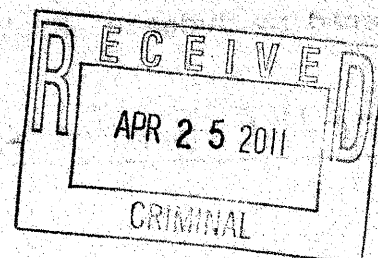
Any amount due after this date will be sent to the Vermont Tax Department for tax offset and collection.

NOTICE TO APPLICANT: If you feel you do not have the ability to pay the amount ordered, or if the circumstances of your case make the amount inappropriate, you may ask the court to reduce the amount.

Attorney Assigned PD

Ordered by Judge H. E. VanBenthuyzen

Judge H. E. VanBenthuyzen / K
April 14, 2011



Vermont Superior Court
Washington Criminal Division

CONDITIONS OF RELEASE

Date of Order: April 14, 2011

State v. Diaz, Cynthia J.

Defendant's Date of Birth: 02/16/1968

419-4-11 Wncr, count 1 FALSE OR FRAUDULENT RETURN
32V5894(e)

419-4-11 Wncr, count 2 FALSE OR FRAUDULENT RETURN
32V5894(e)

419-4-11 Wncr, count 3 FALSE OR FRAUDULENT RETURN
32V5894(e)

419-4-11 Wncr, count 4 FALSE OR FRAUDULENT RETURN
32V5894(e)

419-4-11 Wncr, count 5 FALSE OR FRAUDULENT RETURN
32V5894(e)

419-4-11 Wncr, count 6 FALSE OR FRAUDULENT RETURN
32V5894(e)

Arresting Agency: Attorney General's Office

The Court has determined that future appearance(s) of the defendant will not be reasonably assured by his or her release on personal recognizance or execution of an unsecured appearance bond alone; or that the release of the defendant will constitute a danger to the public. It is therefore ORDERED that the defendant be released upon the following conditions:

1. You must come to court when you are told to.
2. You must give your attorney or the court clerk your address and phone number. If it changes, you must tell them immediately.
3. Defendant must stay in the State of Vermont.

VIOLATIONS OF ANY OF THESE CONDITIONS IS A CRIME. If you violate any of these conditions the court may send you to jail or keep you in jail and you may be charged with new crimes. You must follow these conditions until your case is closed or until the court changes the conditions.

Order of the Court:

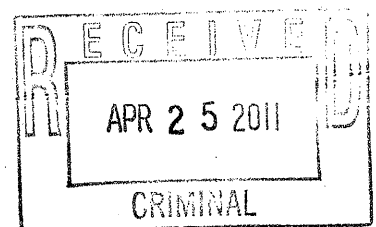
Judge H. E. VanBenthuyzen (ka)
H. E. VanBenthuyzen

I have received a copy of this order. I have read it. I understand it.

Date
4-14-11

Time
1:43pm

Defendant
Cynthia J. Diaz



Form No. 332
Citation

STATE OF VERMONT
District Court of Vermont
CITATION

County Washington

TO: Enrique Diaz
DOB 2-16-68
you are hereby ordered to appear

BY THE AUTHORITY OF THE STATE OF VERMONT, at the following time and place:
before a Judicial Officer at the District Court of Vermont, at the following time and place:

Date	<u>4-14-11</u>	Time	<u>12pm</u>	Unit	<u>II</u>	Circuit	<u>Superior</u>	to answer to the charge of
Town/City	<u>Rose Washington</u>							
Offense	<u>Hitting a false or fraudulent return</u>							

An information charging you with this offense will be presented at the time of your appearance.
IF YOU DO NOT APPEAR AT THE TIME AND PLACE ORDERED, A WARRANT WILL BE ISSUED FOR YOUR ARREST AND YOU MAY BE SUBJECT TO ADDITIONAL CHARGES AND PENALTIES.

Date Issued:	<u>3-24-11</u>	Town/City	<u>Montpelier</u>	Title/Dept.	<u>Det 1ACD</u>	County	<u>Washington</u>
Signature - Issuing Officer	<u>[Signature]</u>						
Date		Signature - Defendant	<u>via Attorney Vincent</u>				

I received this Citation on:
R 5M 7/96 V.C.I.
White - Court's Copy

Yellow - Officer's Copy

Pink - Defendant's Copy

Vermont Superior Court
Washington Criminal Division

CONDITIONS OF RELEASE

Date of Order: April 14, 2011

Defendant's Date of Birth: 02/16/1968

State v. Diaz, Cynthia J.

419-4-11 Wncr, count 1 FALSE OR FRAUDULENT RETURN
32V5894(e)
419-4-11 Wncr, count 2 FALSE OR FRAUDULENT RETURN
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Arresting Agency: Attorney General's Office

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Order of the Court:

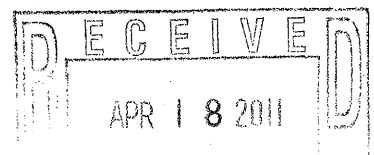
Judge H. E. VanBenthuyzen (K)
H. E. VanBenthuyzen

I have received a copy of this order. I have read it. I understand it.

Date
4-14-11

Time
1:43pm

Defendant
Cynthia J. Diaz



WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657

<http://www.atg.state.vt.us>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

April 8, 2011

Claire Mee, Superior Court Clerk
Vermont Superior Court
Criminal Division, Washington Unit
225 North Main St.
Barre, VT 05641

Re: State of Vermont v. Cynthia Diaz
Docket No.

Dear Claire:

Enclosed for filing with the Court in the above-referenced case against Ms. Diaz, please find the following:

- 1) Information by Attorney General with accompanying Affidavits of Probable Cause and Summary of Income and Vermont Individual Income Tax Due from 2003 to 2008.
- 2) Citation to appear on April, 14, 2011
- 3) Arrest Custody Report
- 4) Defendant's Criminal History

Please send all notices of hearing and correspondence in this case to the undersigned at the Criminal Division of the Vermont Attorney General's Office, 109 State St., Montpelier, Vermont 05609-1001.

Thank you, and please contact me if you need any further information at 802-828-5512.

Sincerely,

A handwritten signature in black ink, appearing to read "Ultan Doyle".

Ultan Doyle
Assistant Attorney General

Enclosures

VERMONT

STATE OF VERMONT
District Court of Vermont
CITATION

County
Washington

TO: Cynthia Diaz

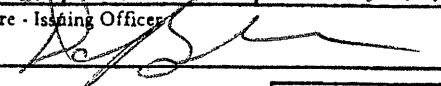
DOB: 2-16-68

BY THE AUTHORITY OF THE STATE OF VERMONT, you are hereby ordered to appear before a Judicial Officer at the District Court of Vermont, at the following time and place:

Date 4-14-11	Time Dpm	Unit II	Circuit Superior
Town/City Barre	County Washington	to answer to the charge of	
Offense Filing a false or fraudulent return			

An information charging you with this offense will be presented at the time of your appearance.

IF YOU DO NOT APPEAR AT THE TIME AND PLACE ORDERED, A WARRANT WILL BE ISSUED FOR YOUR ARREST AND YOU MAY BE SUBJECT TO ADDITIONAL CHARGES AND PENALTIES.

Date Issued: 3-24-11	Town/City Montpelier	County Washington
Signature - Issuing Officer 	Title/Dept. Det / AGO	

I received this Citation on:

Date	Signature - Defendant Via Attorney Vincent
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R 5M 7/96 V.C.I.

White - Court's Copy

Yellow - Officer's Copy

Pink - Defendant's Copy

SUPERIOR COURT
Washington Unit

CRIMINAL DIVISION
Docket No.

STATE OF VERMONT)

v.)

CYNTHIA DIAZ)

INFORMATION BY ATTORNEY GENERAL

BY THE AUTHORITY OF THE STATE OF VERMONT, the Attorney General
for the State of Vermont, upon his oath of office, charges:

COUNT 1

FALSE RETURN

CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who knowingly filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2003 calendar year with an adjusted gross income of \$15,811.00, when her adjusted gross income was \$57,035.78, in order to evade paying a tax liability in the amount of \$1,092.97, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

COUNT 2
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2004 calendar year with an adjusted gross income of \$4,100.00, when her adjusted gross income was \$35,425.34, in order to evade paying a tax liability in the amount of \$595.78, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 3
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN,
OFFENSE CLASS: M

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2005 calendar year with an adjusted gross income of \$27,319.00, when her adjusted gross income was \$32,820.24, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than one year or a fine of not more than \$1,000.00 or both.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

COUNT 4
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2006 calendar year with an adjusted gross income of \$26,066.00, when her adjusted gross income was \$74,299.25, in order to evade paying a tax liability in the amount of \$1,747.57, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 5
FALSE RETURN
CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN > \$500,
OFFENSE CLASS: F

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount exceeding \$500.00: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2007 calendar year with an adjusted gross income of \$28,779.00, when her adjusted gross income was \$94,453.63, in order to evade paying a tax liability in the amount of \$3,043.29, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

PENALTY: Imprisonment for not more than three years or a fine of not more than \$10,000.00 or both.

COUNT 6
FALSE RETURN

CHARGE CODE: 32V5894E, CHARGE NAME: FALSE RETURN \$500 OR LESS,
OFFENSE CLASS: M

On or about August 3, 2010, Cynthia Diaz, of Coventry, Vermont, at Montpelier, Vermont, in this county and territorial unit, was an individual who filed with the commissioner a false tax return with the intent of evading a tax liability in an amount of \$500.00 or less: to wit, by filing with the commissioner of taxes a Vermont individual income tax return for the 2008 calendar year with an adjusted gross income of \$30,732.00, when her adjusted gross income was \$51,791.70, in order to evade paying a tax liability in the amount of \$158.53, in violation of Title 32 V.S.A. § 5894(e) and against the peace and dignity of the State.

PENALTY: Imprisonment for not more than one year or a fine of not more than \$1,000.00 or both.

Dated this 6 day of April, 2011.

STATE OF VERMONT

WILLIAM H. SORRELL
ATTORNEY GENERAL

By: 

ULTAN DOYLE

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

This information was presented to me and I have found probable cause this _____
day of April, 2011.

Superior Court Judge

Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609

AFFIDAVIT OF PROBABLE CAUSE

Now Comes Detective Darin Barber of the Vermont Attorney General's Office, affiant, being duly sworn and on oath, deposes and says he has probable cause to believe that **Cynthia Diaz (DOB 2/16/68)** has on or about August 3, 2010 committed four FELONIES and two MISDEMEANORS FOR FILING A FALSE OR FRAUDULENT RETURN, in violation of Title 32 VSA, Section 5894(e).

1. I am a certified full-time law enforcement officer in the State of Vermont and have been employed as a criminal investigator by the Vermont Attorney General's Office since July, 2008.
2. The information in this affidavit derives from an investigation conducted by the Vermont Attorney General's Office in coordination with former State Tax Investigator Frank Chapman. The information in this affidavit also derives from an investigation conducted by Patti Palmer, a tax examiner, who is currently employed by the Vermont Department of Taxes. In drafting this affidavit, I reviewed the results of both investigations.

The Chapman Investigation

3. The investigation conducted by Mr. Chapman revealed that Ms. Diaz failed to file Vermont State Income Tax returns for the tax years 2003, 2004, 2005, 2006, 2007, and 2008 and that she was a resident of Vermont and had taxable income for those tax years. The investigation also revealed that Ms. Diaz owed state income tax payments in excess of \$500 for each of those tax years, with the exception of tax year 2005.
4. Based on the results of Mr. Chapman's investigation, I drafted an affidavit of probable cause to support the filing of charges against Ms. Diaz for failure to file tax returns and failure to pay taxes for the years 2004, 2005, 2007, 2008, and 2009. This affidavit, which was dated February 12, 2010, is incorporated by reference herein.
5. In an information dated February 12, 2010, the State of Vermont charged Ms. Diaz with five felony counts of failure to file a tax return and failure to pay taxes for the years 2004, 2005, 2007, 2008, and 2009. These charges are still pending.

The Palmer Investigation

6. On September 13, 2010, Brenda Vovakes, Director of Compliance at the Vermont Department of Taxes, delivered to tax examiner, Patti Palmer, 2003, 2004, 2005, 2006, 2007, 2008 and 2009 filed returns for Ms. Diaz. All seven tax returns had been prepared by Randall Northrup, CPA for Ms. Diaz. Each tax return was signed on August 3, 2010. The income reported on Ms. Diaz's filed 2003-2008 Vermont Income Tax Returns was as follows:

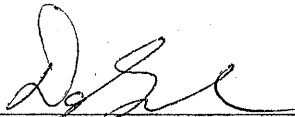
7.	2003 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 15,811.00
	Wages: Newport Car Wash & Mini Mart	\$ 302.75
	Wages: Gray's Paving & Sealing	<u>15,508.00</u>
	Total income shown on return	<u>\$15,810.75</u>
8.	2004 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 4,100.00
	Wages: Spates Construction	\$ 1,546.65
	Wages: Shiva Retail Services	466.89
	Wages: Newport Car Wash & Mini Mart	<u>2,086.52</u>
	Total income shown on return	<u>\$ 4,100.06</u>
9.	2005 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 27,319.00
	Wages: Town of Coventry	\$ 24,639.24
	Wages: Gray's Paving and Sealing, Inc.	1,600.00
	Capital Gain	587.00
	Interest	275.00
	Dividends	<u>218.00</u>
	Total income shown on return	<u>\$ 27,319.24</u>
10.	2006 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 26,066.00
	Wages: Town of Coventry	\$ 26,066.12
	Total income shown on return	<u>\$26,066.12</u>
11.	2007 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 28,779.00
	Wages: Town of Coventry	\$27,697.86
	Interest	<u>1,081.00</u>
	Total income shown on return	<u>\$ 28,778.86</u>
12.	2008 Vermont Income Tax Return	
	Adjusted Gross Income reported	\$ 30,732.00
	Wages: Town of Coventry	\$ 30,941.96

Total income shown on return

\$ 30,941.96

13. On September 24, 2010, Ms. Palmer requested copies of all source documents used to prepare these returns from Mr. Northrop. On October 06, 2010, she received copies of the federal returns and W-2s as requested.
14. Ms. Palmer's review of the returns showed that Ms. Diaz provided Mr. Northrop, with only wage income for years 2003, 2004, 2006 and 2008. On her 2005 return, wages, interest, dividends and a capital gain were reported. On the 2007 return, wages and interest were reported. No other types of income were reported.
15. Ms. Palmer prepared a Summary of Income and Vermont Individual Income Tax Due (incorporated by reference herein). The source documents for this summary were: Federal returns and W-2s provided by Randall Northrop, CPA, Schedule of Vermont Income and Wire Transfers and Wage and Income transcripts from the Internal Revenue Service. To calculate an estimated tax due for the years 2003 through 2008 the Taxpayer was assessed as head of household with 2 dependents. Taxpayer has a Time Deposit account and a Savings account in the Pribanco International LTD Bank in the Bahamas. The investment income residing in these offshore accounts disqualifies Taxpayer from the Earned Income Tax Credit. The estimated tax calculations for 2003 through 2008 are as follows:
 16. The 2003 estimated assessment included a Vermont Adjusted Gross Income of \$57,035.78; a Standard Deduction of \$7,000.00; Exemption of \$9,150.00; Vermont Taxable Income of \$40,885.78; Vermont Income Tax of \$1,572.00; Credit for Vermont Taxes Withheld of \$479.03; and a Vermont Income Tax Due of \$1,092.97.
 17. The 2004 estimated assessment included a Vermont Adjusted Gross Income of \$35,425.34; a Standard Deduction of \$7,150.00; Exemption of \$9,300.00; Vermont Taxable Income of \$18,975.34; Vermont Income Tax of \$682; Credit for Vermont Taxes Withheld of \$86.22; and a Vermont Income Tax Due of \$595.78.
 18. The 2005 estimated assessment included a Vermont Adjusted Gross Income of \$32,820.24; a Standard Deduction of \$7,300.00; Exemption of \$9,600.00; Vermont Taxable Income of \$15,920.24; Vermont Income Tax of \$574.00; Credit for Vermont Taxes Withheld of \$841.83; and an overpayment of \$267.83. This overpayment is not refundable due to the statute requiring a return to be filed within 3 years of the due date of the return.
 19. The 2006 estimated assessment included a Vermont Adjusted Gross Income of \$74,299.25; a Standard Deduction of \$7,550.00; Exemption of \$9,900.00; Vermont Taxable Income of \$56,849.25; Vermont Income Tax of \$2,616.00; Credit for Vermont Taxes Withheld of \$868.43 and a Vermont Income Tax Due of \$1,747.57.

20. The 2007 estimated assessment included a Vermont Adjusted Gross Income of \$94,453.63; a Standard Deduction of \$7,850.00; Exemption of \$10,200.00; Vermont Taxable Income of \$76,403.63; Vermont Income Tax of \$3,966.00; Credit for Vermont Taxes Withheld of \$922.71; and a Vermont Income Tax Due of \$3,043.29.
21. The 2008 estimated assessment included a Vermont Adjusted Gross Income of \$51,791.70; a Standard Deduction of \$8,000.00; Exemption of \$10,500.00; Vermont Taxable Income of \$33,291.70; Vermont Income Tax of \$1,197.00; Credit for Vermont Taxes Withheld of \$1,038.47; and a Vermont Income Tax Due of \$158.53.
22. Conclusion: The 2003, 2004, 2005, 2006, 2007 and 2008 Vermont income tax returns, as filed, are inaccurate. Taxpayer owes Vermont income tax for 2003, 2004, 2006, 2007 and 2008. Vermont income tax due is over \$500.00 for 2003, 2004, 2006 and 2007. Tax due is under \$500.00 for 2008. Based upon these facts and circumstances, this officer believes that probable causes exists to charge Cynthia Diaz (DOB 2/16/68) with the offenses of **FILING A FALSE OR FRAUDULENT RETURN**, in violation of Title 32 VSA, Section 5894(e).


Affiant- Darin Barber

Subscribed and sworn to before me on this 24th day of March, 2011.


Notary Public

AFFIDAVIT of PROBABLE CAUSE

Now Comes Detective Darin Barber of the Vermont Attorney General's Office, affiant, being duly sworn and on oath, deposes and says he has probable cause to believe that **Cynthia Diaz, DOB 2/16/68** has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO FILE TAX RETURN**, a violation of Title 32 VSA, Section 5894(d); has on or about 04/15/2004, 04/15/2005, 04/17/2007, 04/15/2008, and 04/15/2009 committed the offenses of **FELONY FAILURE TO PAY TAX**, a violation of Title 32 VSA, Section 5894(d).

INTRODUCTION

1. I am a certified full-time law enforcement officer in the State of Vermont and have been employed as a criminal investigator by the Vermont Attorney General's Office since July, 2008.
2. In December, 2008, an investigation was opened into activities of Cynthia Diaz. As a result of that investigation, it was learned that Diaz failed to file Vermont State Income Tax returns for the tax years 2003, 2004, 2005, 2006, 2007, and 2008. Further investigation revealed that Diaz was a resident of the State of Vermont and had taxable income for those tax years. State Tax Investigator Frank Chapman calculated the income tax payments due from Diaz from those years, using the information available to him. Those calculations indicated that Diaz owed state income tax payments in excess of \$500 for each of those tax years, with the exception of tax year 2005. The tax due for 2005 was less than \$500, and therefore the failure to pay that tax, and the failure to file a return for that year, are misdemeanors for which the statute of limitations has expired. For each of the remaining years, probable cause exists that Diaz failed to file a tax return with intent to evade a tax liability, where the amount of tax evaded was in excess of \$500.00 in a single calendar year, a felony. In addition, for each of the remaining years, probable cause exists that Diaz, with intent to evade a tax liability, failed to pay a tax when due, where the amount of tax evaded was in excess of \$500.00 in a single calendar year.
3. The information in this affidavit derives from the investigation conducted by the Vermont Attorney General's Office in coordination with State Tax Investigator Frank Chapman, the results of which I have reviewed. That investigation included obtaining and reviewing the following documents relating to Diaz:
 - Vermont Homestead Declarations
 - Chittenden Bank Statements and Deposits
 - Community National Bank Statements and Deposits
 - Wire Transfers
 - Town of Coventry Payroll Check Warrant Reports
 - Town of Coventry Pay Stubs
 - Gray's Paving & Sealing W-2's
 - Vermont Department of Labor data

Vermont Department of Motor Vehicle license and registration records, and
Vermont Department of Taxes archives.

DIAZ RESIDENCY IN VERMONT

3. The Declaration of Vermont Homestead Form must be filed by Vermont residents who own and occupy a Vermont homestead on April 1st. Examination of such forms filed by Diaz establish that she was a resident of Vermont from at least 2004 to 2009. Diaz filed such declarations on or about April 15, 2004, April 5, 2005, April 1, 2006, February 1, 2007, April 9, 2008, and February 20, 2009. In each case, the completed declaration showed Coventry, Vermont to be Cynthia J. Diaz's legal residence.

4. Ms. Diaz has had a Vermont driver's license since at least 2002. Ms. Diaz earned Vermont income during the years 2003 through 2008 from employment. Ms. Diaz was employed at Gray's Paving and Sealing, Inc. at least during 2003. Ms. Diaz was elected as Town Clerk and Town Treasurer for the Town of Coventry in March, 2004, and has served in that capacity to date. I therefore have probable cause to believe that Ms. Diaz was a Vermont resident for the years 2003 – present.

DIAZ VERMONT INCOME

5. The investigation also disclosed that Ms. Diaz earned income in Vermont during the years in question. This was determined by the review of Ms. Diaz's checking account and employers' records. In particular, the following records were examined:

- Chittenden Bank Personal Checking Account statements and deposits for Cynthia J. Diaz.

- Community National Bank Personal Check Account statements and deposits for Cynthia J. Diaz.

- Town of Coventry Payroll Check Warrants and Town of Coventry Individual Pay Stubs for Cynthia J. Diaz.

- Wire Transfers into Diaz's bank accounts for the tax years 2006, 2007, 2008, and 2009 (partial year).

- Gray's Paving and Sealing, Inc. W-2 for 2003 for Cynthia J. Diaz from the Department of Taxes archives.

VERMONT INCOME TAX DUE

6. Using these records, a summary of Income and Vermont Individual Income Tax Due was compiled. To calculate an estimated tax due for the years 2003 through 2008 the Taxpayer was assessed as single with no dependents. Because gross payroll amounts were

not available, the Taxpayer was not given credit for Vermont Taxes Withheld for the years 2004 and 2005 as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due for those years.

7. The estimated tax calculations, as determined by Investigator Chapman, for 2003 through 2008 are as follows:

2003

Vermont Adjusted Gross Income:	\$56,826.71
Standard Deduction	\$4,750.00
Exemption	\$3,050.00
Vermont Taxable Income	\$49,026.71
Vermont Income Tax	\$2,509.00
Credit for Vermont Taxes Withheld	\$473.64
Vermont Income Tax Due	\$2,035.36

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This estimated assessment may be revised when/if better information becomes available.

2004

Vermont Adjusted Gross Income:	\$33,758.54
Standard Deduction	\$4,850.00
Exemption	\$3,100.00
Vermont Taxable Income	\$25,808.54
Vermont Income Tax	\$931.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$931.00

Because gross payroll amounts were not available for 2004, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include

all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2005

Vermont Adjusted Gross Income:	\$19,429.28
Standard Deduction	\$5,000.00
Exemption	\$3,200.00
Vermont Taxable Income	\$11,229.28
Vermont Income Tax	\$405.00
Credit for Vermont Taxes Withheld	\$0.00
Vermont Income Tax Due	\$405.00

Because gross payroll amounts were not available for 2005, the Taxpayer was not given credit for Vermont Taxes Withheld as only the net payroll amount was used to calculate the estimated Vermont Individual Income Tax Due. This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2006

Vermont Adjusted Gross Income:	\$68,644.33
Standard Deduction	\$5,150.00
Exemption	\$3,300.00
Vermont Taxable Income	\$60,194.33
Vermont Income Tax	\$3,220.00
Credit for Vermont Taxes Withheld	\$775.21
Vermont Income Tax Due	\$2,444.79

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2007

Vermont Adjusted Gross Income:	\$91,580.80
Standard Deduction	\$5,350.00
Exemption	\$3,400.00
Vermont Taxable Income	\$82,830.80
Vermont Income Tax	\$4,893.00
Credit for Vermont Taxes Withheld	\$863.03
Vermont Income Tax Due	\$4,029.97

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

2008

Vermont Adjusted Gross Income:	\$51,791.90
Standard Deduction	\$5,450.00
Exemption	\$3,500.00
Vermont Taxable Income	\$42,841.90
Vermont Income Tax	\$1,914.00
Credit for Vermont Taxes Withheld	\$1,038.47
Vermont Income Tax Due	\$875.53

This estimated assessment may not include all Taxpayer income but it is based upon the best information available at this time. This assessment may be revised when/if better information becomes available.

8. Tax Investigator Frank Chapman reported that he performed a diligent search of Vermont Department of Taxes records and archives, and that there is no record of Cynthia J. Diaz filing a Vermont Individual Income Tax Return for the years 2003, 2004, 2005, 2006, 2007, and/or 2008. This search was updated on February 5, 2010, and as of that date none of these returns had been filed.

9. On February 11, 2010, I went to the Coventry Town Clerk's Office in order to speak with Cynthia Diaz. I identified myself to her and explained why I was there, and she agreed to speak with me. I asked Diaz why she did not file tax returns in 2003 through 2008. Diaz

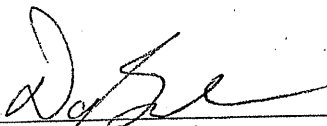
stated that she did not think she had made enough money after her child support deductions each year. I asked Diaz if she had checked the tax guidelines on when you must file or for information on child support deductions. She advised she had not. Diaz again stated that after the child support deductions, she did not think she made enough money per year to file. I then used the year 2008 as an example and explained to Diaz that she made a Gross Income of \$51,791.90. After deductions, including her child support she still had a taxable income of around \$40,000.00. I asked her if she thought she did not have to file on that amount of money. She did not answer and asked me where I got those figures. I explained through search warrants of her banking accounts and wire transfers. She asked when she would get a copy of those figures, I advised her upon arraignment.

10. I asked Diaz where the wire transfer money came from. Diaz advised it came from her father in law who lives in Panama. She explained that her ex-husband is supposed to pay her child support of six thousand dollars a year, three thousand dollars for each of her two children. He never pays it, so her father in law sends the money from Panama. She advised her ex-husband resides in Panama as well, so she is unable to take him to court on the support issue. I asked Diaz if she had anything to add about the failure to file her tax returns. She said no, other than she would like to resolve this issue and she did not think she made enough income to have to file. Diaz was then cited and I left the Town Clerk's Office.

11. Upon returning to my office, I checked the report of Tax Investigator Frank Chapman, Vermont Department of Taxes, and discovered Cynthia Diaz received more than the six thousand dollars a year in wire transfer money, as she had stated:

Year 2003- She received \$35,940.00 in transfers.
Year 2004- She received \$9,220.00 in transfers.
Year 2006- She received \$12,185.00 in transfers.
Year 2007- She received \$11,980.00 in transfers.
Year 2008- She received \$21,060.00 in transfers.

There are no figures for the year 2005, and the total wire transfer money she received for the five years is \$90,385.00.


Affiant- Darin Barber

Subscribed and sworn to before me on this 12th day of February, 2010.


Notary Public

Cynthia J. Diaz

Summary of Income and Vermont Individual Income Tax Due

Source: Schedule of Vermont Income for the Years 2003, 2004, 2005, 2006, 2007, and 2008

Payroll Summary of 2006, 2007, and 2008

PRP: 03/22/2011

Description	Vt. Income or Gross Wages	Vermont Withholding Tax	Vermont Adjusted Gross Income	Standard Deductions	Vermont Taxable Income	Vermont Income Tax	Vermont Withholding Tax	Vermont Income Tax Due
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2003

Gray's Paving & Sealing, Inc.	\$15,508.00	\$473.64						
Newport Car Wash	\$302.75	\$5.39						
Bookkeeping/Accounting Income	\$2,657.23							
From Wire Transfers to Chittenden	\$335,940.00							
Cash Deposits	\$2,477.80							
Check from Sonia Curtis	\$150.00							
Totals	\$57,035.78	\$479.03	\$57,035.78	\$7,000.00	\$9,150.00	\$40,885.78	\$1,572.00	\$479.03 \$1,092.97

2004

Town of Coventry	\$10,860.59							
Gray's Paving & Sealing, Inc.	\$4,997.41							
Newport Carwash	\$2,086.52	\$48.58						
Shiva Retail	\$466.89	\$7.64						
Spates Construction	\$1,546.65	\$30.00						
Bookkeeping/Accounting Income	\$5,897.28							
From Wire Transfers to Chittenden	\$9,220.00							
Cash Deposits	\$300.00							
Check from Sonia Curtis	\$50.00							
Totals	\$35,425.34	\$86.22	\$35,425.34	\$7,150.00	\$9,300.00	\$18,975.34	\$682.00	\$86.22 \$595.78

Cynthia J. Diaz

Summary of Income and Vermont Individual Income Tax Due

Source: Schedule of Vermont Income for the Years 2003, 2004, 2005, 2006, 2007, and 2008
Payroll Summary of 2006, 2007, and 2008

prp: 03/22/2011

Description	Vt. Income or Gross Wages	Vermont Withholding Tax	Vermont Adjusted Gross Income	Standard Deductions	Exemptions	Vermont Taxable Income	Vermont Income Tax	Vermont Withholding Tax	Vermont Income Tax Due
2007									
Town of Coventry	\$27,697.86		\$922.71						
Closing USA LLC Escrow Account	\$38,333.88								
North Country Mountaineers, Inc.	\$125.00								
Bookkeeping/Accounting Income	\$35.00								
Edward Jones	\$15,031.89								
Lisa Marie Desroches	\$20.00								
Don Bowen	\$10.00								
Walter Tarbox	\$100.00								
Interest	\$1,086.00								
Dividends	\$34.00								
From Wire Transfers	\$11,980.00								
Totals	\$94,453.63	\$922.71	\$94,453.63	\$7,850.00	\$10,200.00	\$76,403.63	\$3,966.00	\$922.71	\$3,043.29
2008									
Town of Coventry	\$30,731.70	\$1,038.47							
From Wire Transfers	\$21,060.00								
Totals	\$51,791.70	\$1,038.47	\$51,791.70	\$8,000.00	\$10,500.00	\$33,291.70	\$1,197.00	\$1,038.47	\$158.53

Calculations:

Taxpayer was assessed as Head of Household with 3 Exemptions. Withholding was not available in 2004 from Town of Coventry and Gray's Paving & Sealing.

VERMONT OFFICE OF THE ATTORNEY GENERAL
ARREST SUMMARY REPORT/BAIL STATEMENT

CASE # 10AG000010 ARRESTING OFFICER: Darin Barber AGENCY VTAG

* LAST NAME: Diaz FIRST NAME: Cynthia MIDDLE NAME: Jean

* STREET ADDRESS: 2550 Coventry Station Road CTY, STATE, ZIP Coventry, Vermont 05825

* DOB 02/16/1968 POB _____ SOCIAL SECURITY # redacted

* PREVIOUS FULL ADDRESS PO Box 343 Newport, Vermont 05855

* HOW LONG AT PRESENT ADDRESS _____ *HOW LONG AT PREVIOUS ADDRESS _____

HOME PHONE NUMBER (802)754-2586 WORK PHONE NUMBER (802)754-2288

* OCCUPATION Coventry Town Clerk * EMPLOYER Town of Coventry

EMPLOYER ADDRESS Main Street Coventry, Vermont *HOW LONG EMPLOYED 2004 to present

STATE ID# 292432 FBI# _____ LICENSE #31842204 STATE Vermont

SEX: F RACE: W HEIGHT: 05'06" WEIGHT: 150 lbs.

EYE COLOR: BLU HAIR COLOR: BRO

* MARITAL STATUS: DIV (ALIAS NAME(S) _____

SCARS / MARKS / TATOOS / ETC _____

OTHER (glasses, beard, etc) _____

* TIES TO THE COMMUNITY _____

* Is defendant currently on probation? N * Were alcohol and/or drugs a factor in the offense? N

* Were weapons a factor in the offense? N * How much cash on hand does defendant have? _____

ARREST DATA

* OFFENSE NAME: Failure to File Tax Returns
TITLE: 32 SECTION: 5894(d) OFFENSE CODE _____ TIME / DATE OFFENSE: 2003-2008

* OFFENSE NAME: Failure to Pay Tax
TITLE: 32 SECTION: 5894(d) OFFENSE CODE _____ TIME / DATE OFFENSE: 2003-2008

* OFFENSE NAME: _____
TITLE: _____ SECTION: _____ OFFENSE CODE _____ TIME / DATE OFFENSE: _____ / _____ / _____

OFFENSE LOCATION Coventry, Vermont TOWN CODE 1005

ARREST/CITATION LOCATION Coventry, Vermont TOWN CODE 1005

CITED ON- 02-11-2010 TO APPEAR-02-18-2010

FINGERPRINTS- VINE SYSTEM OR CARDS Officer/PD _____ DATE- _____

JUVENILE INFORMATION

FATHER / LAST NAME _____ FIRST _____ MIDDLE _____

MOTHER / LAST NAME _____ FIRST _____ MIDDLE _____

*THIS INFORMATION MUST BE PROVIDED WHEN MAKING BAIL CALL

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641

www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

January 21, 2011


Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wnor

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

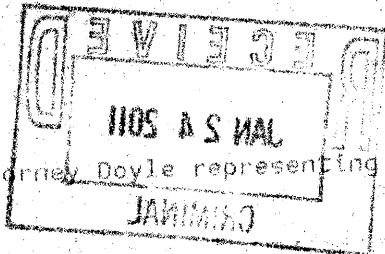
Status Conference

Monday March 21, 2011 at 11:00 AM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



Washington, D.C. 20535
U.S. DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D.C. 20535

MEMORANDUM FOR THE DIRECTOR

DATE: January 24, 2011

TO: Director, FBI
FROM: [illegible]
SUBJECT: [illegible]

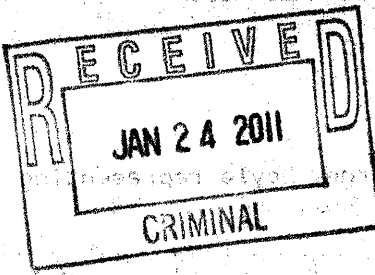
Re: [illegible] (Case # [illegible])

1. [illegible]

2. [illegible]

3. [illegible]

4. [illegible]



WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657

<http://www.atg.state.vt.us>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

January 12, 2011

Marna Murray, Court Manager
Vermont Superior Court
Criminal Division, Washington Unit
255 N. Main Street, Suite 1
Barre, VT 05641

RE: State v. Cynthia Diaz, Docket No.: 171-2-10 Wncr

Dear Marna:

The above captioned case was set for a status conference on November 5, 2010. On December 4, 2010, Defense counsel filed a motion to continue, which was granted. Since that time no other court dates been scheduled. I would be grateful if a status conference could be scheduled as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Ultan Doyle".

Ultan Doyle
Assistant Attorney General

cc: Maggie Vincent, Esq.

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

March 21, 2011

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

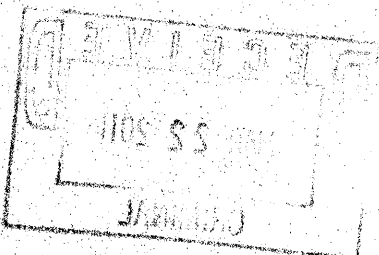
Status Conference

Friday June 17, 2011 at 01:30 PM

Defendant must be personally present; FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


Criminal Division Clerk

X CC: Attorney Doyle representing Attorney General



www.hendersoncity.com (800) 225-2255
Henderson City, Tennessee
300 North Street, Suite 1
Henderson City, Tennessee 37057

SALES TAX
HENDERS
HENDERS

NOTICE OF HEARING

MARCH 21, 2011

RE: [illegible] vs. [illegible]

Case No. [illegible]

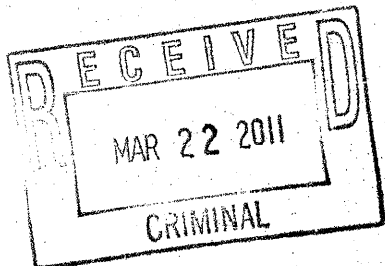
The undersigned case was the following:

State of Tennessee

Friday, March 17, 2011 10:30 AM

Defendant must be personally served with the summons and complaint in order for the case to proceed.

Criminal Division



Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

November 8, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

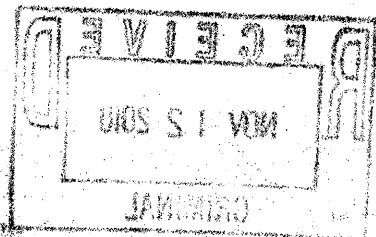
Change of plea

Thursday December 9, 2010 at 08:30 AM

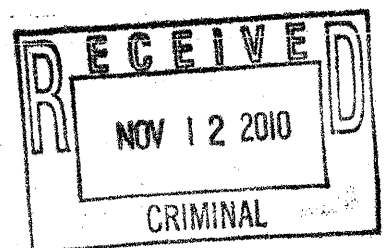
Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



RECEIVED
NOV 12 2010
CRIMINAL



STATE OF VERMONT
STIPULATION/MOTION FOR CONTINUANCE☒ DISTRICT COURT OF VERMONT
☐ SUPERIOR COURT OF VERMONTUNIT NO. 3 Washington CIRCUIT COUNTYDOCKET NO. 171-2-10 WNCY

1. The undersigned counsel and parties request that the

Statute Conference
(type of hearing)now set for 11/5/10
(date) be continued, at least until

(date)

2. (Criminal Cases) This case was arraigned on

(date)

(Civil Cases) The complaint was filed on

(date)

3. This motion is being filed by:
(If stipulation, please indicate
initiating party.)☐ Plaintiff/State☒ Defendant/Juvenile☐ Other

4. The reason for this requested delay is as follows: (Be Specific)

Defense has received information from the AG
which requires evaluation by an accountant
Please continue 2 weeks to allow for
thatSignature of State/Plaintiffs Attorney Date
AAG Uhan Doyle doesn't objectSignature of Defendant's/Juvenile's Attorney Date
Murphy Hunt 10/1/10

Signature of Plaintiff (civil case) Date

Signature of Defendant/Juvenile Date

Signature of Probation Officer/SRS Worker Date

If juvenile case, or defendant is under 18:
Signature of Parent or Guardian Date

NOTE: FILE ALL COPIES WITH THE COURT. YOU WILL RECEIVE A COPY WITH THE COURT'S DECISION.

ACTION BY COURT/NOTICE OF HEARING

☒ Granted ☐ Denied Comments:

Signature of Judge

Date

This matter has been rescheduled for

Type of Hearing

on

Date

at

Time

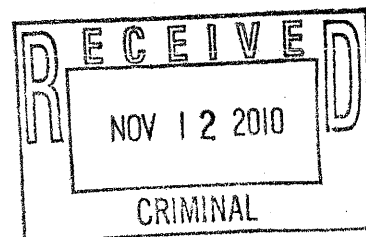
AM
PM

ALL PARTIES MUST BE PRESENT.

Date copies sent to parties

Clerk's Initials

cc: _____ Plaintiffs Attorney _____ Probation and Parole Office
_____ State's Attorney _____ Department of SRS
_____ Public Defender _____ Guardian Ad Litem
_____ Defendant's Attorney _____ Other:



☒ DISTRICT COURT OF VERMONT
☐ SUPERIOR COURT OF VERMONT

UNIT NO. 3 Washington CIRCUIT COUNTY

DOCKET NO. 171-2-10 Wncy

State
Cyntia ^{vs} Diaz

1. The undersigned counsel and parties request that the status conference
(type of hearing)

now set for 11/5/10 be continued, at least until _____ (date)

2. (Criminal Cases) This case was arraigned on _____ (date)

(Civil Cases) The complaint was filed on _____ (date)

3. This motion is being filed by:
(If stipulation, please indicate
initiating party.)

☐ Plaintiff/State _____
☒ Defendant/Juvenile _____
☐ Other _____

4. The reason for this requested delay is as follows: (Be Specific)

The reason for this requested delay is as follows: (Be Specific)
 Defense has received information from the AG
 which requires evaluation by an accountant.
 Please continue 2 weeks to allow for
 this.

Date _____ Signature of Defendant's/Juvenile's Attorney _____ Date 1/1/

Signature of State/Plaintiffs Attorney Date
 1/14/14 *Donle doesn't object*

Signature of Defendant's/Juvenile's Attorney Date
Messiah Hunt 10/1/10

Signature of Plaintiff (civil case) _____ Date _____

Signature of Defendant/Juvenile _____ Date _____

Signature of Probation Officer/SRS Worker _____ Date _____

If juvenile case, or defendant is under 18:
Signature of Parent or Guardian _____ Date _____

NOTE: FILE ALL COPIES WITH THE COURT. YOU WILL RECEIVE A COPY WITH THE COURT'S DECISION.

ACTION BY COURT/NOTICE OF HEARING

☐ Granted ☐ Denied Comments: _____

Signature of Judge _____ Date _____

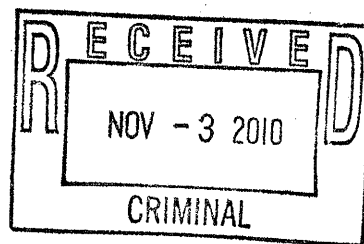
This matter has been rescheduled for on at

ALL PARTIES MUST BE PRESENT.

Date copies sent to parties

Clerk's Initials

cc: _____ Plaintiffs Attorney _____ Probation and Parole Office
 _____ State's Attorney _____ Department of SRS
 _____ Public Defender _____ Guardian Ad Litem
 _____ Defendant's Attorney _____ Other:



OCT 1 2010

Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

October 1, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with the above-named case for the following:

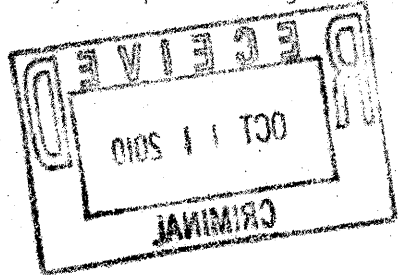
Status Conference

Friday November 5, 2010 at 02:15 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.


Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



RECEIVED
OCT 11 2010
CRIMINAL

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OCT 11 2010
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RECEIVED
OCT 11 2010
CRIMINAL

District Court of Vermont
Unit #3, Washington Circuit
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

FILED

MAR 22 2010

**District Court of Vermont
Unit No. 3, Washington Circuit**

Cynthia Diaz
PO Box 24
Coventry VT 05825

NOTICE OF HEARING

March 19, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with the above named case for the following:

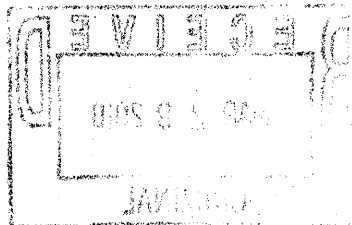
Status Conference

Friday April 16, 2010 at 02:30 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.

Betsy Reed
District Court Clerk

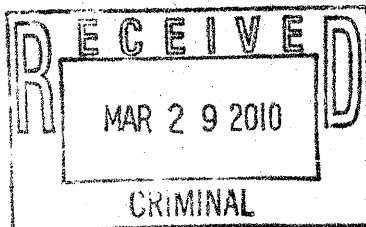
CC: Attorney Menzel representing Attorney General



FILED

MAR 2 2 2010

District Court of Vermont
Unit No. 3, Washington Circuit



FILED

MAY 17 2010

**District Court of Vermont
Unit No. 3, Washington Circuit**

District Court of Vermont
Unit #3, Washington Circuit
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Cynthia Diaz
PO Box 24
Coventry VT 05825

NOTICE OF HEARING

May 14, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with the above named case for the following:

Attorney or Appear

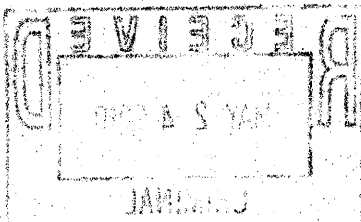
Monday June 28, 2010 at 04:00 PM

Defendant to appear and let us know if she wants pub. def for \$833.87 co-pay or if she hires her own attny.

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.

Betty Rogers
District Court Clerk

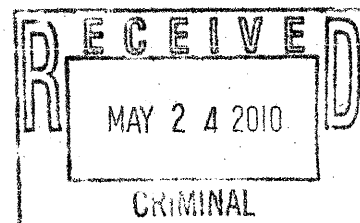
CC: Attorney Menzel representing Attorney General



FILED

MAY 1 7 2010

District Court of Vermont
Unit No. 3, Washington Circuit



District Court of Vermont
Unit #3, Washington Circuit
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Cynthia Diaz
PO Box 24
Coventry VT 05825

NOTICE OF HEARING

February 18, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with
the above named case for the following:

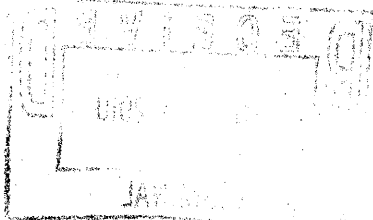
Attorney or Appear

Friday March 19, 2010 at 02:30 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


District Court Clerk

CC: Attorney Menzel representing Attorney General



RECEIVED
MAR 1 2010
CRIMINAL

RECEIVED
MAR - 1 2010
CRIMINAL

STATE OF VERMONT
DISTRICT COURT OF VERMONT
Unit No. 3, Washington Circuit

FILED

FEB 19 2010

CONDITIONS OF RELEASE

District Court of Vermont

Date of Order: February 18, 2010 Unit No. 3, Washington Circuit

State v. Diaz, Cynthia

Defendant's Date of Birth: 02/16/1968

171-2-10 Wncr, count 1 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 2 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 3 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 4 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 5 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 6 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 7 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 8 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 9 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)
171-2-10 Wncr, count 10 FAILURE TO PAY TAX OR FILE TAX RETURN GREATER THAN \$500
32V5894 (d)

Arresting Agency: Attorney General's Office

The Court has determined that future appearance(s) of the defendant will not be reasonably assured by his or her release on personal recognizance or execution of an unsecured appearance bond alone; or that the release of the defendant will constitute a danger to the public. It is therefore ORDERED that the defendant be released upon the following conditions:

1. You must come to court when you are told to.
2. You must give your attorney or the court clerk your address and phone number. If it changes, you must tell them immediately.
3. You must not be charged with or have probable cause found for a new offense while this case is open.
31. You shall report to VSP-Middlesex within 3 business days for taking of photograph and fingerprints.

VIOLATIONS OF ANY OF THESE CONDITIONS IS A CRIME. If you violate any of these conditions the court may send you to jail or keep you in jail and you may be charged with new crimes. You must follow these conditions until your case is closed or until the court changes the conditions.

Order of the Court:

Judge Brian J. Grearson (K)
Brian J. Grearson

I have received a copy of this order. I have read it. I understand it.

Date

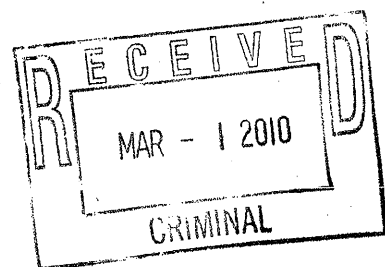
2-18-10

Time

1:40 pm

Defendant

Cynthia J. Diaz



APR 19 2010

District Court of Vermont
Unit #3, Washington Circuit
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Cynthia Diaz
PO Box 24
Coventry VT 05825

NOTICE OF HEARING

April 16, 2010


Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with
the above named case for the following:

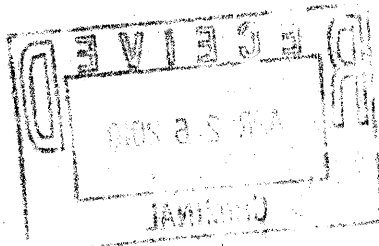
Attorney or Appear

Friday May 14, 2010 at 01:00 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.


District Court Clerk

CC: Attorney Menzel representing Attorney General



THE UNITED STATES OF AMERICA
DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

TO : DIRECTOR, FBI
FROM : SAC, NEW YORK
SUBJECT: [Illegible]

[Large oval containing illegible text]

RECEIVED
APR 26 2010
CRIMINAL

District Court of Vermont
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

July 16, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with the above named case for the following:

Status Conference

Monday August 30, 2010 at 09:00 AM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.


District Court Clerk

CC: Attorney Doyle representing Attorney General

JUN 30 2010

District Court of Vermont
Unit #3, Washington Circuit
255 No. Main Street, Suite 1
Barre, Vermont 05641

www.VermontJudiciary.org - (802) 479-4252

Public Defender

Cynthia Diaz
PO Box 24
Coventry VT 05825

NOTICE OF HEARING

June 28, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Washington District Court in connection with the above named case for the following:

Status Conference

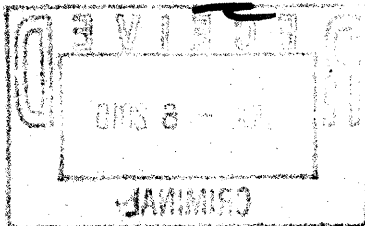
Friday July 16, 2010 at 02:00 PM

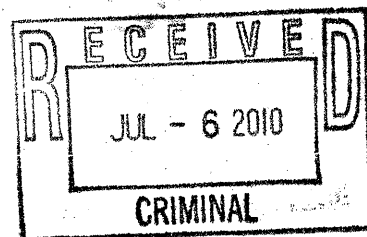
Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST WARRANT BEING ISSUED.

JM
District Court Clerk

CC: Attorney ~~Menzel~~ representing Attorney General

DRYCE





Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

N O T I C E O F H E A R I N G

August 30, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

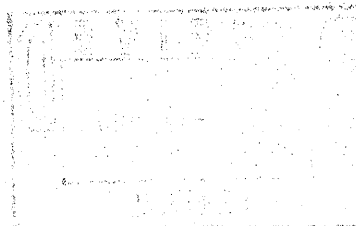
Jury Drawing

Wednesday October 13, 2010 at 08:30 AM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.

B. Reed
Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



TO: DIRECTOR, FBI
FROM: SAC, NEW YORK
SUBJECT: [Illegible]

RE: [Illegible]
[Illegible]

DATE: [Illegible]

RE: [Illegible]

TO: DIRECTOR, FBI
FROM: SAC, NEW YORK

SUBJECT: [Illegible]

RE: [Illegible]

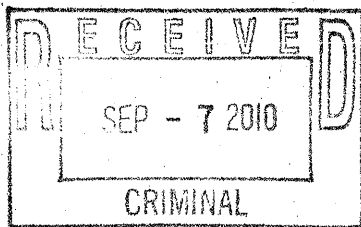
DATE: [Illegible]

TO: DIRECTOR, FBI
FROM: SAC, NEW YORK

[Illegible signature]

[Illegible text]

SUBJECT: [Illegible]



Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

August 30, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wocr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

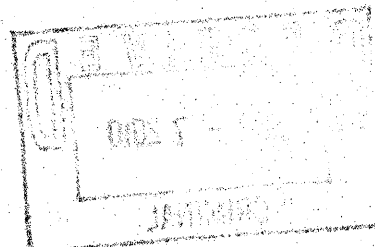
Calendar Call

Wednesday October 6, 2010 at 01:00 PM

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.

B. Reed
Criminal Division Clerk

CC: Attorney Doyle representing Attorney General



RECEIVED
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20535

SEP 7 2010
FBI
WASHINGTON, D.C.

RECEIVED

SEP 7 2010

RECEIVED
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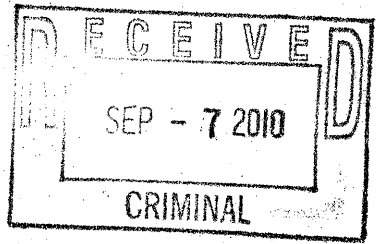
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WASHINGTON, D.C. 20535



Vermont Superior Court
Washington Criminal Division
255 No. Main Street, Suite 1
Barre, Vermont 05641
www.VermontJudiciary.org - (802) 479-4252

Maggie Vincent, PD, Esq.
237 North Main Street
Barre VT 05641

NOTICE OF HEARING

August 30, 2010

Re: Attorney General vs. Diaz, Cynthia
Docket No. 171-2-10 Wncr

This is to notify you to appear at the Court named above in connection with
the above-named case for the following:

Status Conference

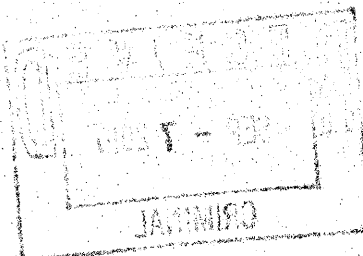
Friday October 1, 2010 at 01:30 PM

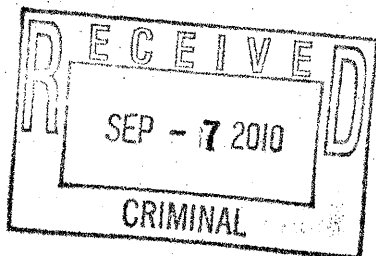
AG to have had offer to DA by this date

Defendant must be personally present. FAILURE TO APPEAR MAY RESULT IN AN ARREST
WARRANT BEING ISSUED.

B. Reed
Criminal Division Clerk

CC: Attorney Doyle representing Attorney General





CR08-10244

SEARCH WARRANT

STATE OF VERMONT
COUNTY OF ORLEANS, ss.

TO: Investigator Thomas E. Howell or Any Vermont Law Enforcement Officer.

You are hereby commanded to search:

The offices of the Town Clerk and Treasurer for the town of Coventry, Vermont. Said offices are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

for the following described property or object(s):

to include computers, computer software, computer hardware, computer disks, computer disk drives, computer monitors, computer printers, computer modems, tape drives, disk application programs, data disks, system disk operating systems, magnetic media floppy disks, zip drives, CD-ROMs, DVD-ROMs, hardware and software operating manuals, digital cameras, computer scanners, and electronic storage data devices such as thumb drives and all other external storage devices;

to include all financial information files for the Town of Coventry, such all banking, lending or all other financial institution account information, to include record of deposit, monthly statements, cancelled checks and accompanying ledgers, journals, spreadsheets, notebooks, records of account receivable, records of account payable, records of payroll, records of purchases and disbursements;

serving this warrant and making the search between the hours of 6:00 a.m. and 10:00 p.m. ~~(exception)~~ within -10- days from the date hereof, and if the property or object(s) be found there, to seize it, prepare a written inventory of it, and bring such property, object(s) or inventory before the District Court of Vermont, Unit No. III, Orleans Circuit.

This warrant is issued upon the basis of an affidavit and finding of probable cause by me, filed with the clerk of that unit.

Dated at Newport, County of Orleans, this 27th day of January, 2009. 1:21 PM

Judicial Officer

STATE OF VERMONT

APPLICATION FOR SEARCH WARRANT WITH AFFIDAVIT

A. APPLICATION

Investigator Thomas E. Howell requests the Honorable Judge Walter Morris to issue a warrant to search:

The offices of the Town Clerk and Treasurer for the town of Coventry, Vermont. Said offices are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

for the following property or object(s):

to include computers, computer software, computer hardware, computer disks, computer disk drives, computer monitors, computer printers, computer modems, tape drives, disk application programs, data disks, system disk operating systems, magnetic media floppy disks, zip drives, CD-ROMs, DVD-ROMs, hardware and software operating manuals, digital cameras, computer scanners, and electronic storage data devices such as thumb drives and all other external storage devices;

to include all financial information files for the Town of Coventry, such all banking, lending or all other financial institution account information, to include record of deposit, monthly statements, cancelled checks and accompanying ledgers, journals, spreadsheets, notebooks, records of account receivable, records of account payable, records of payroll, records of purchases and disbursements.

and if such property or object be found there, to seize it, prepare a written inventory of it, and promptly return the inventory to the District Court of Vermont, Unit III, Orleans Circuit.

The applicant has probable cause to believe that such property or object(s) will be found and will constitute:

the crime of Embezzlement

For the purposes of establishing probable cause for issuance of this warrant, there are attached here to the following affidavits:

Investigator Thomas E. Howell

This application is made on this 27th day of January, 2009.

Judicial Officer

Applicant

STATE OF VERMONT
ORLEANS COUNTY, ss.

NOW COMES Investigator Thomas E. Howell, affiant(s), being duly sworn and on oath, deposes and says he has probable cause to believe the following in support of the attached search warrant application;

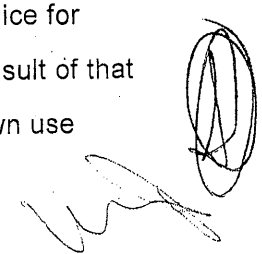
The undersigned being duly sworn, deposes and says that I, Thomas E. Howell, am now and have been for the past 23 years, a full time certified law enforcement officer, presently employed as a criminal investigator for the Vermont Attorney General's Office. The information contained in this affidavit originates from my review of a number of interviews conducted by investigating officers, including myself, as well as investigative proceedings initiated by the Attorney General's Office, with assistance from the Vermont State Police. I have also met with and have discussed the conclusion of findings of the audit of town records and financial records by professional auditors Anne Marie Mooney and James Taylor, hired by the Town of Coventry. I have personally determined that the offices of the Town Clerk and Treasurer for the town of Coventry, Vermont are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

1. Introduction

In December 2008, the Office of the Attorney General opened an investigation into the diversion of town funds and false claims by a public official from the Town of Coventry, Vermont. This investigation came as request by the Chairman of the Town of Coventry Select board, Mike Marcotte. Marcotte's request was the result of an initial investigation by the Vermont State Police along with an independent audit and findings by Anne Marie Mooney and James Taylor, both fraud examiners and auditors hired by the Town of Coventry in 2006 to determine what, if any, internal controls were present with regard to the activities of Town Clerk Cynthia Diaz.

2. Timeline and History

Cynthia Diaz the elected Town Clerk and Town Treasurer on March 4, 2004. Diaz was elected by one vote over the incumbent Town Clerk at the time, Peggy Ratcliffe. Ratcliffe had been the Town Clerk and Town Treasurer for the previous ten years. In 2005, Mike Marcotte discovered that Diaz had been investigated by the Newport Police for embezzlement from a former employer, Arnold Gray of Gray's Paving. As a result of that investigation, it was determined by an auditor that Diaz had diverted to her own use \$22,413.46.



Diaz was charged with Embezzlement in Orleans District Court. The prosecution efforts resulted in the charge being dismissed because the victim in the matter, Arnold Gray, did not want to pursue the matter further. As the result of this information, Mike Marcotte and the Coventry Select board decided to hire professional auditors for the purposes of an accounting practice review and fraud audit of Cynthia Diaz and the town finance records.

3. Audit Result

As a result an initial examination by Mooney and Taylor, including interviews with Cynthia Diaz, as well as a review of financial records for the years 2004 through 2007, it was determined that the accounting practice and internal controls were not present. An example of this was the inconsistency of the recording of property tax payments. For example, in 2004, they found that it appears when Diaz collected property tax payments in cash, this money did not get deposited into the bank. When Diaz collected cash, she would not provide a receipt of payment unless the payer asked for one specifically. Sometimes, when property taxes are collected in both cash and check denominations, Diaz would deposit the check and hold onto the cash. Mooney cited one example as a \$1500.00 in property taxes received, as recorded by Diaz, was never recorded on bank records as a deposit.

Mooney also discovered when late property tax payments are made, sometimes Diaz would assess the required penalty and sometimes she would not. The conclusion reached by the fraud examination and audit included, but is not limited to the revelation that that the town financials could not be balanced, evidence that Diaz began issuing checks to herself without documentation (noted as in the matter with Arnold Gray), falsified deposit records (showing more cash collected than recorded on the bank records), falsified property tax recording of Diaz own property, to include property tax transfer records for this property, and failing to collect or record late tax payments and fees (through 2007).



4. Accounting and Records Issues

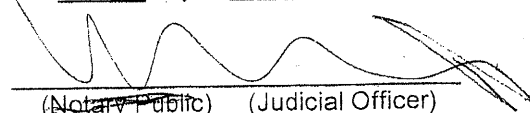
It has been determined that through her position of Town Clerk and Treasurer, Cynthia Diaz is the sole curator of the town financial records. According to Mike Marcotte, the town of Coventry provides to Diaz a computer in order to create and maintain town records. This computer can be found at the town offices. Also, Diaz has single signing authority on town bank accounts. One of the steps the select board has taken to protect the interest of the town is to have a copy of the bank statements sent to Marcotte, in attempt to provide for some independent review and oversight. Recent interviews with Marcotte revealed that Diaz has failed to implement recommended internal controls and policies with regard to accounting practices. Failure to act on these recommendations caused further concern for the Select Board with regard to the practices of Diaz.

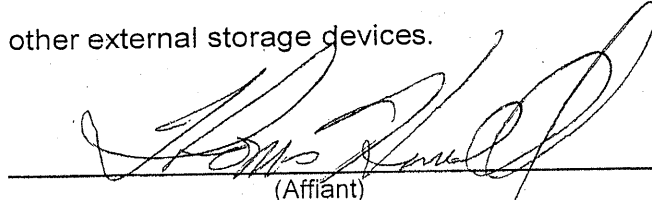
5. Seizure of Town Records

Based upon the above stated facts and circumstances, this warrant will serve to further this investigation by obtaining all town financial records held at the town clerks office, all banking, lending or all other financial institution account information, to include record of deposit, monthly statements, cancelled checks and accompanying ledgers, journals, spreadsheets, notebooks, records of account receivable, records of account payable, records of payroll, records of purchases and disbursements. This will also include seizure of those records stored on the town computer, and will include all computers, computer software, computer hardware, computer disks, computer disk drives, computer monitors, computer printers, computer modems, tape drives, disk application programs, data disks, system disk operating systems, magnetic media floppy disks, zip drives, CD-ROMs, DVD-ROMs, hardware and software operating manuals, digital cameras, computer scanners, and electronic storage data devices such as thumb drives and all other external storage devices.

Subscribed and sworn to before me on

this 27th day of JAN., 09


(Notary Public) (Judicial Officer)


(Affiant)

01-27-09.
(Date)

WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657

<http://www.atg.state.vt.us>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

February 3, 2009

Tina de la Bruere, Court Manager
Unit III, Orleans Circuit
Vermont District Court
217 Main Street
Newport, VT 05855

Re: Search Warrant/Cynthia Diaz

Dear Ms. de la Bruere:

Please find enclosed the return of service for the warrant served on February 2, 2009 in the town of Coventry. Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Howell".

Det. Thomas E. Howell
Criminal Division Investigator

cc: Orleans District Court
AGO Case file

Docket No. _____

State of Vermont
Orleans County

DISTRICT COURT OF VERMONT

Unit No. III

Orleans Circuit

STATE OF VERMONT

vs.

Cynthia Diaz

SEARCH WARRANT

At COVENTRY
in said county, this 2ND day of FEBRUARY, 2009, by
virtue of this warrant, I entered at 10:42AM
o'clock (a.m. – p.m.) upon the premises and
into 168 MAIN ST.
(person, premises, or vehicle)

1. SEE ATTACHED

2. PROP. RECEIPTS

3.

4.

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described in said warrant, and there made
diligent search for the goods and chattels in
said warrant described, and thereupon such
search found and seized:

14.

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22.

23.

24.

Box 1 & 2

Page of pages

Barber

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT		Box 1 + 2
Case Officer		Case #		
Type of Crime/Incident		Agency		
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence				
EVIDENCE				
Item	Quantity	Description and/or Identifier		
1	Box	08 Tax receipts - bottom desk drawer - clerk desk		
2	Box	08-09 Animal license receipts - middle drawer		
3	file	Animal licenses		
4	file	Marriage Licenses } middle drawer		
5	file	few licenses		
6	file	Town of Coventry tax & bank records - Desk bottom		
7	"	Town budget - bottom desk		
8	"	town report - bottom desk		
9	"	2007-08 Revenues bottom desk		
10	"	2007-08 Revenues & warnings - bottom desk		
11	"	2008 Annual report - bottom desk		
12	10	notebooks minutes of meetings		
13	File	Bank statements, check register, cemetery commission - bottom desk under window		
14	file	state tax receipts } shelf over desk		
15	file	Accounts payable		
16	file	Tax bills		
17	Binder	Tax bills - shelf / back case		
18	file	payroll records, bills & cash - back case		
19	file	cash, checks, bills 2009 - beside desk		
		deposit bag		
20	file	Grand list 2008		

Barbor

P-X3

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
1	15	Town of Coventry misc invoices 6-4-08 - self
2	2	" " " " " " 12-18-07 + 11-30-07 - self
3	3	" " " " to city newport fire dept. - self
4	1	Bill for Smithbay Auto - self
5	1	Bill for unitfirst - self
6	2	" " Blanchard oil - self
7	1	Animal License Return Jan-April 2007 - self
8	1	Bill from Acadia Ins - self
9	1	" " Agway
10	2	Receipt from All state asphalt self
11	31	" " Redcross
12	1	" " Area on Aging
13	1	" " B+B computers
14	2	Invoice Barrett trucking
15	1	Tax bill refund 2007
16	13	Receipts Blanchard oil
17	2	" Blake Bros logging
18	5	" Blanchard oil
19	2	Invoices Blais Surveying Co
20	5	" Bond Auto
21	1	" Brault's
22	1	" Blue ribbon carpet cleaning
23	1	" Buzzy's
24	3	" Calkin's
25	4	" Cargill's
26	3	" Carroll Concrete
27	3	" Chronicle
28	1	" Claude's T.V.
29	1	" CM publishing
30	1	" Comcast
31	1	" 2007 Grand list overpayment
32	1	" Cook's Equip.
33	1	" Pine Hill Pitching
34	2	" Coventry fire district

Storage Location: OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer _____ : Case # _____
 Type of Crime/Incident _____ : Agency _____
 Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

EVIDENCE

Item	Quantity	Description and/or Identifier	
35	1	Invoice Shane Goodwin	Self
36	3	" Curves	
37	24	" Cutting's	
38	5	" Desmarais Equipment	
39	1	" Peway's Engraving	
40	4	" Jm Repairs	
41	1	" Empire Janitorial	
42	3	" Howard Fairfield	
43	4	" fair point	
44	5	" fred's plumbing & heating	
45	1	" frontier animal society	
46	8	" front Desk	
47	1	" Gene's Electric	
48	5	" Gorman Bros.	
49	4	" Great West	
50	1	" Green-up vt	
51	1	" Grays Guay's	
52	1	" Hancock Dairy	
53	2	" Hayes Ford	
54	2	" Hoagies	
55	4	" IROQ	
56	1	" J+S Electrical	Self
57	1	" Wheeler Sugarworks	
58	1	" Jimmy Quirk	
59	1	" JML	
60	3	" Jimmy Marotti	
61	5	" Kingdon Racquet	
62	1	" Camille Ford	
63	1	" Liberty Flag	
64	1	" Lyndonville office	
65	2	" M+B monitoring	
66	1	" Mason Cubit	
67	2	" May + Davies	
68	1	" Mum phremagaz press	

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

: Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE II

Item	Quantity	Description and/or Identifier	amt
69	1	Invoice merriam Graves	
70	8	" Meunier Construction	
71	2	" Milton Cat	
72	1	" Rose Naramore	
73	2	" NEMRC	
74	4	" New England Waste	
75	6	" Newport Daily Express	
76	1	" Newport farm + Garden	
77	1	" Rental center	
78	4	" Northeast Farm Sales	
79	1	" Northeast Kingdom Human Services	
80	4	" NVDA	
81	1	" NKLS	
82	8	" North East Kingdom physical therapy	
83	1	" Northern vt Resource + conservation	
84	1	" Nor + tax	
85	3	" Oasis	
86	4	" Deferred Comp	
87	5	" payroll	
88	2	" Orleans County Citizens Advocacy	
89	2	" Old Stone museum	
90	8	" Orleans Sheriff	
91	1	" Orleans treasurer	
92	1	" Orleans VNA	
93	3	" Orleans fireman	
94	2	" Park view Garage	
95	4	" Post office	
96	1	" Symantec	
97	1	" I party	
98	1	" R's Market	
99	1	" price chopper	
100	1	" family collar	
101	1	" Staples	
102	1	" Rite Aid	

Box 3

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier	Self
103	9	invoice	
4	1	" pick and shovel	
5	1	" pipe	
6	1	" Poulin Lumber	
7	1	" Dept taxes	
8	2	" RCT	
9	1	" RJS market	
10	9	" Round Hill fence	
11	1	" Rogers Service	
12	1	" Russell Graphics	
13	1	" Sears	
14	1	" Seltzer's telephone	
15	1	" Sonny's repair	
16	3	" Smith's Greenhouses	
17	8	" Southbay	
18	3	" Napa	
19	1	" Accounts @ Sover.net	
20	1	" Alexca	
21	3	" ST. J Fire ext.	
22	8	" Robert Tapin	
23	4	" UniFirst	
24	1	" US post office	
25	5	" VCA cemetery	
26	10	" Verizon	
27	1	" VCT	
28	8	" VMCTA	
29	1	" payroll	
30	13	" VCIL	
31	1	" VT elec. co-op	
32	3	" Dept. health	
33	1	" Dept labor	
34	1	" VT offender work programs	
35	4	" VT GFOA	
36	1	" payroll	
37	1	" Animal licenses	

Box 3

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
137	1	Invoice Civil Union
38	1	" VT ANR
39	1	" watersled
140	1	" Wash vt trails
41	3	" Walt's Sales
42	1	" watersled
43	3	" Yahoo
44		
45		
46		
47		
48		
49		
150		

self

✓

Box 4

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer <u>APWELL</u>		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
		FILE NAME ONLY - YEAR	
	5	FLOPPY DISCS FROM DESK - LISTER'S OFF.	
	1	FOLDER W/ INVOICES - " "	
	1	ENVELOPE MARKED GIFT CERT - " "	
	1	RETURNED CHECK - SLOTT - " "	
	1	INVOICE (SG.) DUE - AOT - " "	
	1	DMV RENEWAL - DIAZ - 8/3/06 - " "	
	1	" " WEBSTER - 8/3/06 - " "	
	1	CHECK - FEE - GOULD WELLS - 5/18/04 " "	
	13	FREE INVOICES - " "	
	1	SNOWMOBILE REG - GRAY " "	
	1	LEXAR USB JUMP DRIVE " "	
	2	CASH RECEIPTS LEDGER 2006 " "	
	1	STAPLES RECEIPT 9-19-06 " "	
	1	GENERAL LEDGER 8-17-05 " "	
	1	FOLDER SEPT. 2007 INVOICES/PAYABLES " "	
	1	GEN. LEDGER REPORT " "	
	1	" FUND TRIAL BAL. RPT. 2004 " "	
	1	FOLDER AUG. 2007 INVOICES/PAYABLES " "	
	1	" JULY 2007 " " " "	
	1	" AUGUST 2007 " " " "	
	1	BOX - ASST INVOICES PAYABLES " "	
		JULY 2007 - DECEMBER 2007 " "	
	1	FOLDER INVOICES JUNE 2007 " "	
	1	CNB BANK BAG W/ ASST INVOICES AND RECEIPTS - " "	
	1	FILE MARKED A - MISC " "	
	1	" " AT+T " "	
	1	" " B - MISC " "	
	1	FILE MARKED BLANCHARD OIL " "	
	1	" " BLUE CROSS " "	
	1	" " BOND AUTO " "	
	1	" " C - MISC. " "	
	1	" " CALKINS SAND + GRAVEL " "	

Storage Location	OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer	Case #	
Type of Crime/Incident	Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence		
EVIDENCE		
Item	Quantity	Description and/or Identifier
	1	FILB MARKED CARGILL INC FILBS " " LISTEDS OK
	1	" " CROTERO AUTO " "
	1	CUTTING GENERAL REPAIR
	1	FILB MARKED D-MISC
	1	DESHARIS COMPT
	1	E-MISC FILB
	1	F-MISC. FILB
	1	FRONT DBSK FILB
	1	G-MISC FILB
	1	GUAY GENERAL REPAIR
	1	H-MISC FILB
	1	I-MISC. FILB
	1	J-MISC. FILB
	1	L-MISC. FILB
	1	M-MISC. FILB
	1	MICHAEL MARCOTTE, INC.
	1	N-MISC. FILB
	1	NEWPORT CITY F.D. FILB
	1	OREGON'S COUNTY S.O. FILB
	1	P-MISC. FILB
	1	PORKVIEW GARAGE FILB
	1	PICK + SHOUBL FILB
	1	PIKE INDUSTRIES FILB
	1	R-MISC. FILB
	1	ROUBES SERVICE FILB
	1	S-MISC. FILB
	1	T-MISC. FILB
	1	ROBT. TAPLIN, INC FILB
	1	U-MISC FILB
	1	V-MISC. FILB
	1	VERIZON FILB
	1	W-MISC. FILB
	1	BLONCHARD OIL
	1	BOND AUTO

[illegible]

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer JLC (Krauss)

Case #

Type of Crime/Incident

AgencyReason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

[illegible]

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer <u>VJM</u>		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
		<u>FILE NAME ONLY - YEAR</u>	
1	(1)	7/30/04 - 5/31/05 Community National Bank statement	
2	(1)	Receipt - Dave Gallor \$ 637.00 - Northeast Farm & Sales	
3	(1)	Paulin Lumber Receipt 5/05.51	
4	(1)	4 Page Petty Cash - Town of Coventry Accts Payable 8/10/06	
5	(1)	3/20/05 VAST Memo	
6	(1)	4 Page - Town of Coventry b/L Transfer 4/12/05	
7	(1)	2 Page - Town of Coventry b/L Accts Payable 4/12/05	
8	(1)	Receipt - Baeton Motor Co - 2/25/05 \$320.79	
9	(2)	Receipts Baeton Motor Co 2/28/05 + 3/31/05	
10	(1)	2 Page. Auto Confirmation Email 3/4/05 - Symantec	
11	(1)	5x5 - Scrap Paper w/ handwritten Notes	
12	(1)	Receipt - Gene A. Besaw Assoc., P.C \$2010.00	
13	(1)	3 Page. Bond Auto Receipt + Check # 7891 \$104.40	
14	(1)	5-Page - Cargill Inc Invoice 11/21/05	
15	(1)	3-Page Cutting's General Repair \$648.31 1/31/05	
16	(1)	Newport Daily Express Invoice 1/31/05 \$13.96	
17	(1)	Invoices Meunier Construction Inc 1/31/05 + 2/7/05	
18	(1)	Orleans County Sheriff's Dept Invoices 2/3/05	
19	(1)	Southbay Supply Invoices 1/28/05	
20	(1)	VT Dept Employment & Training Statement 1/12/05	
21	(1)	47906 Check stub \$37.00 to USPS - From Town of Cov.	
22	(1)	VT Dept Employment - March 05 - Invoice	
23	(1)	Pick + Share Tax - \$93.87 - 4/4/05	
24	(1)	2 Page AT&T 3/18/05 - Bill	
25	(1)	2 Page BIC B/S - Prepared 2/8/05 - \$868.06	
26	(1)	4 Page Town of Coventry Accts Payable - b/L Transfer 4/26/05	
27	(1)	3 Page Town of Coventry General Ledger 2/28/05	
28	(1)	Baeton Motor Company 1/31/05 Receipt	
29	(1)	May & Davies Receipt 1/20/05	
30	(1)	The Front Desk Receipt 1/31/05 - 5 Pages total	
31	(1)	Sanville Lawn Care Receipt \$400 Invoice	
32	(1)	M&B Monitoring Invoices 2/2/05 \$325	
33	(1)	Jimmy Kwik Store Invoices 1/31/05 \$79.58	

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
34.	①	Park View Garage Invoices #7901	\$102.83
35.	①	The Pick & Shovel Invoice #7902	\$25.27
36.	①	Royce Service & Mini Mart 11/1/05	\$160.50
37.	①	Verizon Bills 11/8/05 -	\$140.65
38.	①	VT Electronic Cooperative 11/28/05 / #7908	\$546.79
39.	①	6 Page Town of Coventry - Expenditure Report -	4/12/05
40.	①	21 Page Town of Coventry - GL Distribution Report	7/1/04 - 4/12/05
41.	①	8 Page - Coventry School Districts. Accts Payable	4/1/05 - 4/6/05
42.	①	7 Page - Coventry School District. Accts Payable	3/1/05 - 3/31/05
43.	①	Blanchard Oil Co. - 11/14/05 - 9 Pages	
44.	①	May & Davies 7/8/03 Receipt	\$170
45.	①	Newport Farm & Garden Invoices 11/30/03	\$1,549.99
46.	①	Newport Rental Ctr. 12/31/03	\$954.00
47.	①	Jeff Ballup \$60 4/26/04 No 26 Invoice	
48.	①	Handwritten Note to Cynthia dated 11/30/04 (Nadeau)	
49.	①	Pick & Shovel + Zachary Mart Invoices #7406	\$62.99
50.	①	Feed Webster \$25 5/11/04 No 30 Invoice	
51.	①	Watts Sales & Service 5/20/04 \$23.49	#7423
52.	①	VT Dept Health 5/16/04 Invoice \$5-	
53.	①	#7237 check invoice \$237.38 2/17/04. Postmaster	
54.	①	TQM MailShilo Trucking Invoice \$85.77 -	#7409
55.	①	Robert Taplin Invoice \$2,040.12 6/30/04	
56.	①	Robert Taplin Invoice \$691.50 5/31/04	
57.	①	Richard Catnoie Invoices #264060, 264059	#7531
58.	①	Pick & Shovel Invoice 3/28/04 \$7.59	
59.	①	Multiple Pick & Shovel Invoices - \$333.85	#7415
60.	①	Northern Tool & Equipment Co Invoices 1/5/04 + 12/18/03	
61.	①	Northern Tool & Equipment Invoices \$2,747.67	
62.	①	Newport Rental Ctr 6/1/04 \$300	#7414
63.	①	City of Newport - 5/11/04 \$795.25	#7413
64.	①	NEMEC Invoice 5/24/04 \$522.50	#7412
65.	①	Michael Marcotte Inv. \$80.88 5/31/04	#7410
66.	①	May & Davies Invoice 4/20/04 \$240	#7350
67.	①	M&B Monitoring Invoice 6/2/04 \$25	#7408

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
68	①	Joseph Macotti Invoice 4/29/04 \$69.80	# 7411
69	①	Juddy's Portable Toilet Srs Invoice 5/15/04	# 7407
70	①	Loemen Group Invoices 5/1/04 \$9,106.56	# 7405
71	③	3 Pages Credit Notice Loemen Group 10/30/04, 4/2/05, 2/26/05	
72	①	baey Wilkes Invoice 6/2/04 \$6,460	# 7425
73	①	Feds Plumbing Invoices 5/31/04	# 7404
74	①	8 Pages - Blanchard Oil Invoices + Fuel tickets 2/29/04 + 2/31/04	
75	①	Blake Brothers Logging Invoices \$17,780	# 7395
76	①	All States Asphalt 4/20/04 \$4500	# 7343
77	①	All States Asphalt 6/30/04 \$7881.80	# 7525
78	①	Robert Taplin Inc. 8/31/03 \$2490.90	
79	①	Pike Industries Invoice 7/31/03 \$2216.44	
80	①	Northeast Sand + Gravel Invoice 9/26/03 \$2146.20	
81	②	May & Davies Invoices 10/16/03, 12/31/03	
82	①	Loemen Group Invoice 10/21/03	
83	①	Deskochers Excavating Invoice Packet 10/1/03 \$7,717.50	
84	①	Purple file folder "A"	
		Adam Lowery \$1000 8/4/04	
		Acadia Insurance 10/11/05 \$162	
		All State Invoice 8/9/05	
		All State Invoice 8/10/05 \$1480	
		All State Invoice 8/31/05 \$1480	
		All State Invoice 6/30/05 \$5,806.78	
		AT&T - Invoices - 7 Pages	
85	①	Red file folder "B"	
		Blanchard Oil Invoices -	
		Browns Sealing + Paving Invoices 7/16/04	
		Baerett Trucking Invoices 7/20/04	
		Baeten Motor odometer disclosure 10/20/05	
		Baeten Motor Invoices 5/31/05	
		Baeten Motor Invoice 2/16/05	
		Career Center 2/24/05	
		NCCOL 12/20/04	
		Blanchard Oil Invoices + Fuel Cards	
		Blue Ribbon Carpet Cleaner 5/18/05	
		Bond Auto Invoices 5/31/05	

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
86	①	Yellow file folder "C"
		5 Packets Cutting General Store 12/28/04
		Creteau Auto Invoices 8/31/04
		4 Packets Carrell Invoices
		3 Packets Calkins Sand + Gravel Invoices
		Calkin Rock Inv # 26607
		True Value Invoices 12/25/04
		2 Packets - Paul Cutting Invoices 108092, 108088
		Chronicle Invoices 8/27/04
		Richard Cotnoir Inv 264072, 264073
		Coventry Fire District Inv
		Carroll Concrete Inv 11/30/04
		Cuttings General Inv 3/12/05
		Coventry Fire District 4/1/05
		Chronicle Inv 4/1/05
		Cov. Fire 10/1/04
		Cuttings General 5/18/04
		Paul Cutting Inv # 108080 8/9/04
		Cuttings General Inv 4/18/05 # 167740
		Cov. Fire 7/1/05
		Chronicle 7/30/04
		Charlie Sanville Inv 8/11/04
		6 Packets Calkins Sand + Gravel Invoices
		Carrell Inv 8/21/05
		Cotnoir, Richard Inv
87	①	Mason file folder "D"
		Dennis Kelley Invoices
		3 Packets - Desmarests Invoices
		Oening Markey "Horses #300" # 7443
		Desrochers Inv 9/21/04 # 7667
88	①	Blue file folder "E"
		Empire Sanitorial Invoice 4/27/05
89	①	Purple file folder "F"
		Feeds Plumbing Invoices
		Dean Beckau \$516. # 7624

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
89	(Continued)	5 Packets - Freds Plumbing Invoices \$40 - Ymas Wreath (#7866) Fg by Repair Invoice 5/24/05 - Receipt 575557 = (#8072) Poulin Lumber Inv. 3 Packets - Fred Heating Oil. 11 Packets - Fred Desk Invoices Frontier Animal Society \$500 (#8282)
90	①	Red file folder Marked "6") 4 Invoices - Loerman Group Invoices Brooks Pharmacy Invoices "fema" Genes Electric Invoices 12/10/04 Gene Besaw Inv. 11/19/04 (#7783) Lang Wilkes Inv \$8,480 - (#8027)
91	①	3 Packets - Loerman Group Invoices Yellow file folder Marked "4" Hoagies Pizza + Pasta Invoice 3 Packets Howard Fairfield Invoices Rodney Hancock \$306 (#7595) Harvest Equipment \$47.01 Hot Rod Pizza + Pasta (#7337) 2 Hoagies Pizza + Pasta (6122, 9373) 3 Packets Howard Fairfield Invoices Chris Hunt Invoices
92	①	Maroon file folder Marked "I" IDS Invoices
93	①	Blue file folder Marked "J" J&S electrical Invoice 5/24/05 2 Invoices - J&P Sicard Inc 3 Invoices - True Value JB Colten Joseph Marotti Invoice 5/27/05 Joseph Marotti Invoice 3/17/05 Joseph Marotti Invoice 2/3/05 Juddys Portable Toilet Svs 7/15/04
94	①	Purple file folder marked "K" Dennis Kelley Invoice

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
95	-①-	Red file folder Marked "L"	
	2	Invoices Learned Sales Inv 9/1/04 + 4/2/05 Lyndonville Office Equip 5/20/05 Lyndonville Office Equipment 5/20/05	
	2	Invoices Lyndonville Office Equip 3/31/05 + 2/28/05 Liberty Flag Invoice 6/16/05 Child Support Order 3/9/05 \$147.91	
96	-①-	Yellow file folder Marked "M"	
		Jimmy Kwik Inv 4/30/05	
	2	Invoices May + Davies 7/20/04 + 11/5/04 M & B Monitoring Inv 12/16/04 M & B Monitoring 11/23/04 Meunier Cone Inv Packet 12/19/04 \$6604.50 Meunier Cone Inv Packet 11/22/04 \$1618 -	
	2	Pages Town Centry 6.L Meunier Cone Meunier Cone Inc 9/18/04 \$9729 Meunier Cone Inc 7/1/04 \$2320 May + Davies Inv 5/12/05 Me m phremagog Press 2/23/05	
	3	Packets Jimmy Kwik Inv 5/31/05, 3/31/05, 7/31/04	
97	-①-	Maroon file folder Marked "N"	
		Newport Daily News Invoice 11/30/04	
	①	Packets Newport Farm + Goods 12/31/04 Northeast Farm Sales Inv 12/30/04 New England Waste 11/19/04 Newport Daily News 8/31/04	
	2	Packets Northeast Sand In 7/30/04 + 9/24/04 Newport Rental Ctr 8/2/04	
	③	NEMRC 8/6/04, 10/23/04, 12/9/04 Bob Nelson Welding 8/04 \$150 Newport Center Fire D. Inv H 15307 NCLS letter 10/27/04	
	③	NEMRC 5/24/05, 2/24/05, 3/18/05 Newport ambulance 11/2/05 1xtr	
	②	Newport Farm 6/30/05 Northeast Farm Inv 3/30/05	

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Page of page(s)

1/3/05 Old Stone Museum ltr 7/12/04

Northeast Seal Coat 5/4/05

48029

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer	Case #		
Type of Crime/Incident	Agency		
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
98	- ① -	Blue file folder marked "O"	
		12/27/04 Orleans RNA	
		Orleans Cty Treasurer	
	2	Omer Choquette Inv 5/17/04 - 5/4/05	
		Village Orleans 9/30/04	
		12/7/04 letter	
		NEK CA 11/13/05	
		8 - Packets Orleans Cty Sheriff Inv.	
99	- ① -	Purple file folder marked "P"	
		9/3/04 - Computer Appraisal	
		Paulin Lumber 10/31/04	
		Dan Pepin - 9/19/04	
		USPS 11/18/04	
		Portland Leasing 10/28/04	
		Pike 8/25/04	
		Park View Leasing 12/31/04	
		18 Packets - Pick & Shovel Invoices	
		3 Pike Industry Invoices	
		3 Paulin Lumber Invoices	
		Nor Trax Invoice 5/5/05	
		3 Page Power Plan Invoice 5/26/05	
100	- ① -	Red file folder marked "G" (empty)	
101	- ① -	Yellow file folder marked "R"	
		9 - Royels Service Invoices	
		ECT 11/8/04	
		EJs Market 7/19/04 (#7552)	
		Richard Contreir Inv # 264080	
	(2)	Taplin Invoice 5/31/05, 8/30/05	
		Round Hill Fence Inv 5/18/05	
		Ronald Rock 11/29/04	
		Russell Graphics	
102	- ① -	Maroon file folder marked "S"	
		ScreenET - 3/17/04	
		Sumner Times \$566.14	
		Stamp fulfillment sv 10/25/04	
		Spales Florist 6/15/05	
		South Bay Inv 7/31/04	
	(2)	Smiths Greenhouses 4/23/05, 5/29/04	
		Napa Auto parts 4/30/05	
		South Bay Supply 2/28/05	
		Spales Florist \$236	

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Page 5 of 5 pages

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer	Case #		
Type of Crime/Incident	Agency		
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
102	Continued	Sumner Tire - 3/17/05 Symantec Corp Napa - 6/30/05 4 - South Bay Supply - 11/26/04, 12/29/04, 11/29/04, 8/22/04 Charles Sanville - 8/2/04 Sanville Lawn Inv Sumner Tire Inc - 12/31/04	
103	① -	Blue file folder Marked "T" Taylor Rental 10/1/04 ② T+M MailShirts Inv # 2684, 2678 ③ Robert Taplin - 10/31/04, 9/30/04, 6/30/05 Tanguay Riches (# 8129) 6/30/05 Taylor Rental 4/4/05, 3/28/05, 7/31/04 Telling Associates CPA 6/15/05 Tenig New England 6/29/05 ④ Top Hat Entertainment 8/12/04, 6/24/04	
104	① -	Purple file folder Marked "U" # 7914 2/19/05 \$166 # 7486 7/1/04 \$820 URM extension Postal Service 2/24/05 # 7946	
105	① -	Red file folder Marked "V" VMERS - # 7503 - \$351.34 URM - 9/21/04 \$40 VT Recreation - Parks - 11/30/04 (\$7809) All those in favor (#7913) Justice of Peace Workshop 11/9/05 Dept of Health 11/23/04 3 Pages ACT - 6/30/04 - 3 Pages URM CLK # 7696 VT Dept Taxes Insufficient Statement VT Dept Employ + Training - 8/18/04 VLET - # 7699 \$40 VCIL 1/3/05 - # 8319 \$130	

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7 Packs Verizon Bills -

6 Packs VT Elec Coop Invoices

Page

of

pages

6 Packs Verizon Bills

Sanville Lawn Care - \$800-

Ceres Up VT - 10/04

ACT - 7/31/04 \$199.70

8020 + # 8128 - VT Dept Taxes

7 Packs VT elec Coop Invoices

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
105	Continued	VLCT Receipt - 3/16/05 VOWP - 3/9/05 \$11402 - VT Employment + Training 4/12/05 \$50.69 VLCT \$12,933 - VT Dept Labor 7/05 - \$11/05 VT Nahant + State Register files. 11/30/04 13 Pages - Payroll - Summary Reports Town of Covenry Accs Payable Page 1 7948, 8133 VMERJ Treasurer Animal License Return 5/3/05 Marriage Licens 7/1/05
106	-①-	Yellow file folder Marked "W" Wally Sales + Srs 5/31/05 Wally Sales + Srs 4/22/05 - 289.40 #EC26 ④ Winkcare Inv 8/16/04, 10/14/04, 10/17/04, 7/26/04 Fred Webster 10/25/04 \$2250 " 9/18/04 \$137.50 " 9/9/04 \$3500
107	-①-	Maroon file folder Marked "X" - Empty
108	-①-	Blue file folder Marked "Y" - Empty
109	-①-	Purple file folder Marked "Z" Empty
116		1 set - 2 Keys (116E)

Collected + inventoried by USP J. Letourneau

DPS 903A

Box 8

Inventory + Collected by USP J. Lebourne

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer		Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
		FILE NAME ONLY - YEAR	
		2008 INVOICES paid - RED Hanging folder	
		Revenue - include DMV renewals (05-06) (07-08) - Green hanging folder	
		Revenue - 02/03, July 04 - July 05, waste USA Payments	
		Town Correspondence RE Deals, mortgages - Green Hanging folder	
		2004 Taxes (Charles and related paperwork) - GRN folder	
		BANK Deposits 2002-2003 - GRN hanging folder	
		BANK statements + Varied checks - GRN Hanging folder	
		BANK statements 01-02, 02-03, 03-04 - RED Hanging folder	
		Liquor + Tobacco Licenses	

Box 9 + 10 + 11

Storage Location		OFFICE OF THE ATTORNEY GENERAL	
Safe Room		CRIMINAL DIVISION	
		PROPERTY RECEIPT	
Case Officer	Case #		
Type of Crime/Incident	Agency		
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
		FILE NAME ONLY - YEAR	
1	1	white binder Select Board Meeting Agenda	
2	1	Box of 2007 Tax Receipt	
3	1	Pack of Check Warrant Reports + Meeting Minutes 2007	
4	1	Pack of Check Warrant Reports + Meeting Minutes 2008	
5	1	Pack of Check Warrant Reports 2009	
6	1	Pack of Check Warrant Reports 2006	
7	1	white Binder Check Warrant Reports 2004 & 2005	
8	1	white Binder 2004 Grand List	
9	1	white Binder 2004 Tax Book	
10	1	white Binder 2005 Grand List	
11	1	white Binder 2005 Tax Book	
12	1	white Binder 2006 Grand List	
13	1	white Binder 2006 Tax Book	
14	1	white Binder 2007 Grand List	
15	1	white Binder 2007 Tax Book	
16	1	white Binder 2008 Grand List	
17	1	white Binder 2008 Tax Book	
18	1	white Binder 2007 Property Transfer Tax Return	
19	1	white Binder 2004, 2005, 2006 Property Transfer Tax Return	
20	1	white Binder 2004 Property Transfer Tax Return	
21	1	Pack 2005 Tax Year Receipts	
22	1	Box 2003 Tax Bills and Detail	
23	1	box 2004 Tax Bills	
24	1	box 2005 tax Bills	
25	1	box 2006 tax Bills	
26	1	box 2007 tax Bills	
27	1	Pack 2004 Tax Year Receipts	
28	1	box 2002 Tax Bills and Detail	
29	1	Pack 2004 Animal License	
30	1	Pack 2005 Animal License	
31	1	Pack 2006 Animal License	
32	1	Pack 2007 Animal License	
33	1	Pack Checks (first check 11/5/04, last check 12/10/04).	

Storage Location

Safe Area

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
34	1	Pack of checks (1st check 12/14/05, last check 1/31/05)
35	1	US Postal Service Certified Mail Receipt dated (9/23/05)
36	1	William R. Brooks (Town of Coventry - 1 page)
37	1	Customer Receipt (Post office)
38		General Ledger, Register Reports, Transfer Report 2004
39		VAST Registration Report Form

Safe Area

Case Officer

Case #

Agency

EVIDENCE

DPS 903A

TWM

BOY 12

OFFICE OF THE ATTORNEY GENERAL

Storage Location

CRIMINAL DIVISION

Clerks Office

PROPERTY RECEIPT

Carter (L) Chamer

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
		VT Dept Health Engraved Papers Audit #

	675896	6/12/03 - 675 945	6/30/04
--	--------	-------------------	---------

1	731896	7/5/04 - 731921	- 11/9/04
	769896	11/24/04 - 769921	7/11/05
	769922	7/12/05 - 769945	11/3/05
	836045	12/15/05 - 836070	3/28/06
	836071	3/28/06 - 836102	9/25/06
2	957656	9/27/07 - 957681	11/29/08
	957682	2/5/08 - 957685	2/15/08
3	892316	9/25/06 - 892341	5/15/07
	892342	4/4/07 - 892365	9/27/07
4	107936	2/25/08 - 107955	6/24/08
	107956	6/30/08 - 107977	12/31/08

Box 12

Storage Location		OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer	<i>Houon</i>	Case #	
Type of Crime/Incident		Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence			
EVIDENCE			
Item	Quantity	Description and/or Identifier	
		FROM WHITE PLASTIC FILB HOLDER BROUGHT INTO T/L OFC. BLI DIAZ STATING THIS WAS IN HER CAR.	
	1	FILB A-MISC EMPTY	
	1	" ALL STATES ASPHALT EMPTY	
	1	" AT+T "	
	1	" B-MISC PRE BUY CONTRACT	
	1	" BLONCHARD OIL EMPTY	
	1	" BLUE CROSS BLUE SHIELD EMPTY	
	1	" BOND AUTO EMPTY	
	1	" C-MISC	
	1	" CALKINS EMPTY	
	1	" CARGILL "	
	1	" CROTEAU "	
	1	" CUTTINGS GENERAL REPAIR EMPTY	
	1	" D-MISC EMPTY	
	1	" OBSERVATIONS "	
	1	" E-MISC "	
	1	" F-MISC "	
	1	FRONT DESK FILB EMPTY	
	1	" G-MISC EMPTY	
	1	GUARD REPAIR FILB EMPTY	
	1	H-MISC FILB EMPTY	
	1	I-MISC FILB EMPTY	
	1	J-MISC FILB	
	1	K-MISC FILB EMPTY	
	1	L-MISC FILB "	
	1	M-MISC FILB "	
	1	MEMORIBR FILB "	
	1	MICHAEL MARCOITENL EMPTY	
	1	N-MISC FILB EMPTY	
	1	NEWPORT FD FILB EMPTY	
	1	O-MISC EMPTY	
	1	OCSD FILB EMPTY	

Storage Location

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case Officer

Case #

Type of Crime/Incident

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
	1	P-MISC FILE
	1	PARKER-BW CARAGE FILE EMPTY
	1	PIKE INDUSTRIES FILE "
	1	Q-MISC FILE EMPTY
	1	R-MISC FILE "
	1	ROYCE'S SERVICE STATION EMPTY
	1	SOMMER RENTALS EMPTY
	1	S-MISC FILE
	1	T-MISC FILE EMPTY
	1	ROBT. TAPLIN INC "
	1	U-MISC FILE EMPTY
	1	V-MISC " "
	1	UMERS FILE "
	1	UBRIZON " "
	1	W-MISC " "
	1	X-2 MISC FILE EMPTY
	-	ASSORTED INVOICES
	-	TAN FILES -
	1	BLONCARRD OIL - EMPTY
	1	BCBS "
	1	BOND AUTO "
	1	CARGILL "
	1	CUTTINGS "
	1	HOWARD FAIRFORD "
	1	JIMMY KLIK "
	1	MELNICK CONST.
	1	MISC FILE
	1	PKILASHOUL EMPTY
	1	ROUBOS "
	1	SOUTH BOW
	1	CNOM PLOUMONT
	1	UMERS
	1	BLUB FOLDER w/ CNB BANK
		STATEMENTS -

OFFICE OF THE ATTORNEY GENERAL
CRIMINAL DIVISION
PROPERTY RECEIPT

Case #

Agency

Reason Seized: ☐ Lab Evidence ☐ Safekeeping/Found Property ☐ Court Evidence

EVIDENCE

Item	Quantity	Description and/or Identifier
	8	DEPOSIT RECORD BOOKS
	1	GRAND LIST REPORT 2007
	1	TAX BOOK REPORT 2006
	1	FILE MARKED 2005 TAXES
	1	" " 2006 "
	1	REAPPRAISAL GRAND LIST 2008
	1	GRAND LIST AS BILLED

Storage Location	OFFICE OF THE ATTORNEY GENERAL CRIMINAL DIVISION PROPERTY RECEIPT	
Case Officer <i>LESLIE N. B. N. V.</i>	Case #	
Type of Crime/Incident	Agency	
Reason Seized: <input type="checkbox"/> Lab Evidence <input type="checkbox"/> Safekeeping/Found Property <input type="checkbox"/> Court Evidence		

Item	Quantity	Description and/or Identifier
		Payroll 2004
		Payroll 2005+2006 Form 941s
7		Shedlet Reports
		Pike Industries Folder - Slips 1-Subler

* * * *

(c) Protection of Persons Subject to Subpoenas.

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reasonable steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court for which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2)(A) A person commanded to produce and permit inspection, copying, testing, or sampling of designated electronically stored information, books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial.

(B) Subject to paragraph (d)(2) of this rule, a person commanded to produce and permit inspection, copying, testing, or sampling may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to producing any or all of the designated materials or inspection of the premises ☐ or to producing electronically stored information in the form or forms requested. If objection is made, the party serving the subpoena shall not be entitled to the requested production or to inspect, copy, test, or sample the materials or inspect the premises except pursuant to an order of the court for which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time for an order to compel the production, inspection, copying, testing, or sampling. Such an order to compel shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection, copying, testing, or sampling commanded.

(3)(A) On timely motion, the court for which a subpoena was issued shall quash or modify the subpoena if it

- (i) fails to allow reasonable time for compliance;
- (ii) requires a resident of this state to travel to attend a deposition more than 50 miles one way unless the court otherwise orders; requires a nonresident of this state to travel to attend a deposition at a place more than 50 miles from the place of service unless another convenient place is fixed by order of court, or
- (iii) requires disclosure of privileged or other protected matter and no exception or waiver applies, or
- (iv) subjects a person to undue burden.

(B) If a subpoena

- (i) requires disclosure of a trade secret or other confidential research, development, or commercial information, or
- (ii) requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party, or
- (iii) requires a person who is not a party or an officer of a party to incur substantial expense to travel more than 50 miles one way to attend trial, the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1)(A) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

(B) If a subpoena does not specify the form or forms for producing electronically stored information, a person responding to a subpoena must produce the information in a form or forms in which the person ordinarily maintains it or in a form or forms that are reasonably usable.

(C) A person responding to a subpoena need not produce the same electronically stored information in more than one form.

(D) A person responding to a subpoena need not provide discovery of electronically stored information from sources that the party identifies as not reasonably accessible because of undue burden or cost. On motion to compel discovery or for a protective order, the person from whom discovery is sought must show that the information sought is not reasonably accessible because of undue burden or cost. If that showing is made, the court may nonetheless order discovery from such sources if the requesting party shows good cause, considering the limitations of Rule 26(b)(1). The court may specify conditions for the discovery.

(2)(A) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(B) If information is produced in response to a subpoena that is subject to a claim of privilege or of protection as trial-preparation material, the person making the claim may notify any party that received the information of the claim and the basis for it. After being notified, a party must promptly return, sequester, or destroy the specified information and any copies it has and may not use or disclose the information until the claim is resolved. A receiving party may promptly present the information to the court under seal for a determination of the claim. If the receiving party disclosed the information before being notified, it must take reasonable steps to retrieve it. The person who produced the information must preserve the information until the claim is resolved.

CR08-10244

SEARCH WARRANT

STATE OF VERMONT
COUNTY OF ORLEANS, ss.

TO: Investigator Thomas E. Howell or Any Vermont Law Enforcement Officer

You are hereby commanded to search:

The offices of the Town Clerk and Treasurer for the town of Coventry, Vermont. Said offices are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

for the following described property or object(s):

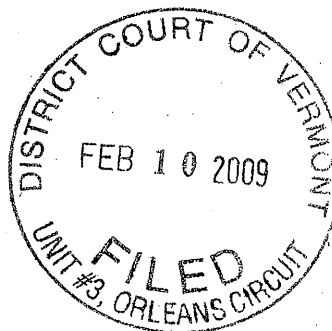
to include any and all Vermont Association of Snow Travelers registration materials, to include VAST registration forms, new registration stickers and "s" stickers.

serving this warrant and making the search ~~between~~ between the hours of 6:00 a.m. and 10:00 p.m. ~~4-
exception~~ within 5 days from the date hereof, and if the property or object(s) be found there, to seize it, prepare a written inventory of it, and bring such property, object(s) or inventory before the District Court of Vermont, Unit No. III, Orleans Circuit.

This warrant is issued upon the basis of an affidavit and finding of probable cause by me, filed with the clerk of that unit.

Dated at Newport, County of Orleans, this 10th day of February, 2009. @ 1:05 PM

Judicial Officer



STATE OF VERMONT

APPLICATION FOR SEARCH WARRANT WITH AFFIDAVIT

A. APPLICATION

Investigator Thomas E. Howell requests the Honorable Judge Walter Morris to issue a warrant to search:

The offices of the Town Clerk and Treasurer for the town of Coventry, Vermont. Said offices are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

for the following property or object(s):

to include any and all Vermont Association of Snow Travelers registration materials, to include VAST registration forms, new registration stickers and "s" stickers.

and if such property or object be found there, to seize it, prepare a written inventory of it, and promptly return the inventory to the District Court of Vermont, Unit III, Orleans Circuit.

The applicant has probable cause to believe that such property or object(s) will be found and will constitute:

the crime of Embezzlement

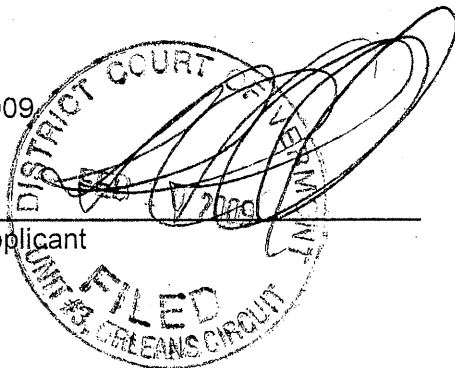
For the purposes of establishing probable cause for issuance of this warrant, there are attached here to the following affidavits:

Investigator Thomas E. Howell

This application is made on this 10th day of February, 2009.

Judicial Officer

Applicant



NOW COMES Investigator Thomas E. Howell, affiant(s), being duly sworn and on oath, deposes and says he has probable cause to believe the following in support of the attached search warrant application;

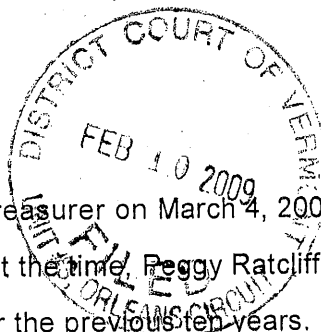
The undersigned being duly sworn, deposes and says that I, Thomas E. Howell, am now and have been for the past 23 years, a full time certified law enforcement officer, presently employed as a criminal investigator for the Vermont Attorney General's Office. The information contained in this affidavit originates from my review of a number of interviews conducted by investigating officers, including myself, as well as investigative proceedings initiated by the Attorney General's Office, with assistance from the Vermont State Police. I have also met with and have discussed the conclusion of findings of the audit of town records and financial records by professional auditors Anne Marie Mooney and James Taylor, hired by the Town of Coventry. I have personally determined that the offices of the Town Clerk and Treasurer for the town of Coventry Vermont are located within a white, two story wood framed building, bearing the name Community Center over the Main Street door, specifically identified and located at 168 Main Street in the town of Coventry, Vermont.

1. Introduction

In December 2008, the Office of the Attorney General opened an investigation into the diversion of town funds and false claims by a public official from the Town of Coventry, Vermont. This investigation came as request by the Chairman of the Town of Coventry Select board, Mike Marcotte. Marcotte's request was the result of an initial investigation by the Vermont State Police along with an independent audit and findings by Anne Marie Mooney and James Taylor, both fraud examiners and auditors hired by the Town of Coventry in 2006 to determine what, if any, internal controls were present with regard to the activities of Town Clerk Cynthia Diaz.

2. Timeline and History

Cynthia Diaz the elected Town Clerk and Town Treasurer on March 4, 2004. Diaz was elected by one vote over the incumbent Town Clerk at the time, Peggy Ratcliffe. Ratcliffe had been the Town Clerk and Town Treasurer for the previous ten years. In 2005, Mike Marcotte discovered that Diaz had been investigated by the Newport Police for embezzlement from a former employer, Arnold Gray of Gray's Paving. As a result of that investigation, it was determined by an auditor that Diaz had diverted to her own use \$22,413.46.



A handwritten signature in black ink, located at the bottom right of the page. The signature is stylized and appears to be the name of the affiant, Thomas E. Howell.

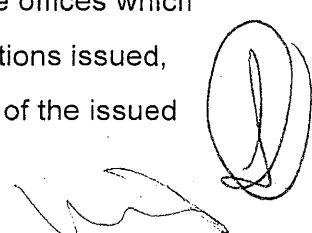
Diaz was charged with Embezzlement in Orleans District Court. The prosecution efforts resulted in the charge being dismissed because the victim in the matter, Arnold Gray, did not want to pursue the matter further. As the result of this information, Mike Marcotte and the Coventry Select board decided to hire professional auditors for the purposes of an accounting practice review and fraud audit of Cynthia Diaz and the town finance records.

3. Audit Result

As a result of an initial examination by Mooney and Taylor, including interviews with Cynthia Diaz, as well as a review of financial records for the years 2004 through 2007, it was determined that the accounting practice and internal controls were not present. It was also determined that through her position of Town Clerk and Treasurer, Cynthia Diaz is the sole curator of the town financial records. According to Mike Marcotte, the town of Coventry provides to Diaz a computer in order to create and maintain town records. This computer can be found at the town offices. Also, Diaz has single signing authority on town bank accounts. One of the steps the select board has taken to protect the interest of the town is to have a copy of the bank statements sent to Marcotte, in attempt to provide for some independent review and oversight. Recent interviews with Marcotte revealed that Diaz has failed to implement recommended internal controls and policies with regard to accounting practices. Failure to act on these recommendations caused further concern for the Select Board with regard to the practices of Diaz.

4. Search Warrant Executed

On February 2, 2009, a search warrant was executed at the offices of the Town Clerk and Treasurer in the town of Coventry. During this warrant, through the finding of registration materials and decals, it was determined that Cynthia Diaz was a registration agent and collecting fees for Vermont Association of Snow Travelers (hereinafter called VAST). During the search, a book was located in the offices which contained VAST registration materials, outlining the number of registrations issued, amount paid and by whom. Since these materials were not the subject of the issued warrant, these materials were left at the offices.

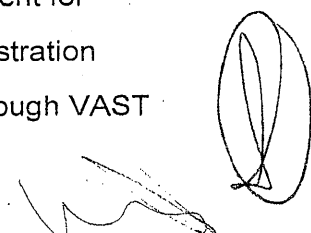
A handwritten signature, possibly "W. Taylor", is written in the bottom right corner. To its right is a circular stamp or seal, which appears to contain a stylized letter or logo, though it is not clearly legible.

5. New Information Regarding VAST and DMV Registrations

On February 2, 2009, I spoke with Mike Marcotte after the search warrant execution was completed. I mentioned to Marcotte about finding the materials from DMV and VAST in the offices. Marcotte then advised me that he had information regarding questionable transactions involving a snowmobile registration. Marcotte stated that he learned from Marina Jacobs, an employee of the DMV, Newport office about at least two persons who registered their snowmobiles in early 2008 with Coventry Town Clerk Cynthia Diaz. In December 2008, these same persons attempted to renew the snowmobile registrations and were told by DMV that there was no record of the previous registration.

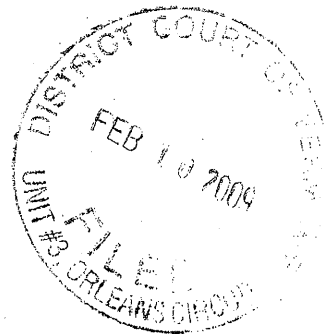
On February 4, 2009, I met with Marina Jacobs at the DMV Newport offices. I advised her I was there to discuss the issue involving the Coventry Town Clerk and the registration issue. Jacobs recalled the situation and was able to retrieve copies of the two registration forms in question. Jacobs advised me that sometime in early December 2008, Kyle Young of Albany came in to register a new snowmobile and claim tax credit on one he had previously registered with the Town Clerk in Coventry in January 2008. At that time he presented a registration form, signed by Cynthia Diaz on January 28, 2008. This form showed that Young had given Diaz that day \$294.00 for tax and registration fees. When Jacobs went to check this registration in the system, there was no record of DMV receiving it. Jacobs called Town Clerk Cynthia Diaz on this day in early December and inquired about this registration. According to Jacobs, Diaz told her that she had received an envelope recently from VAST, but had not opened it. While on the telephone with Jacobs, Diaz stated she will open the envelope now. Diaz then told Jacobs that she had all of the registration materials there from the January transaction and that if Young came down, she would refund the money he gave to her. Jacobs found this highly suspicious.

On February 4, 2009, I spoke with Cyndy Jones, the registration agent for VAST. Jones is responsible for distribution of registration materials to registration agents and assisting in the processing of registrations of snowmobiles through VAST

A handwritten signature is written below the text. To the right of the signature is a circular stamp. The stamp contains the text "COVENTRY TOWN CLERK" around the top and "CYNTHIA DIAZ" around the bottom. In the center of the stamp, the date "FEB 04 2009" is stamped.

for DMV. Jones supplies these agents with VAST stickers for new registrations as well as "S" stickers for renewals. Jones advised that Coventry Town Clerk Cynthia Diaz is one of several registration agents in Vermont for snowmobiles. According to Jones, on September 27, 2007, she delivered to Diaz her supply of stickers for the 2007-2008 seasons. Upon checking her records, Jones found that of the 27 new registration stickers (identified as stickers THW 1 through 9, THX 1 through 9 and THY 1 through 9) and 50 "S" stickers were delivered to Diaz. Of these, only 10 new registrations (identified as THW 1 through 9 and THX 1) and 41 "S" stickers were listed as sold. The remaining unsold stickers were not returned by Diaz.

Based upon the above stated facts and circumstances, a search warrant is requested to return to the above stated location to obtain the VAST materials in order to further this investigation.



Subscribed and sworn to before me on

this 10th day of Feb, 2009

A large, stylized handwritten signature in black ink, likely belonging to the Affiant.

(Affiant)

2/10/09

(Date)

(Notary Public) (Judicial Officer)

CR08-10244

Docket No. _____

DISTRICT COURT OF VERMONT
Unit No. III
Orleans Circuit

STATE OF VERMONT

vs.

Cynthia Diaz

SEARCH WARRANT

State of Vermont
Orleans County

At COVENTRY
in said county, this 12 day of FEB.
2009, by
virtue of this warrant, I entered at 9:20

o'clock (a.m. – p.m.) upon the premises and

into COVENTRY TOWN CURRIC
(person, premises, or vehicle)

OK.

1. DESK DRAWER -
2. MANILA ENVELOPE
3. MARKED COVENTRY
4. BOOK KEEPER w/ 4
5. ENVELOPES INSIDE -
6. 2. (7) REGISTRATION
7. FORMS w/ CHECKS -
8. BOTTOM DRAWER DESK

6.

7.

8.

9.

10.

11.

12.

13.

described in said warrant, and there made
diligent search for the goods and chattels in
said warrant described, and thereupon such
search found and seized:

14.

15.

16.

17.

18.

19.

20.

21.

22.

23.

24.

WILLIAM H. SORRELL
ATTORNEY GENERAL
JANET C. MURNANE
DEPUTY ATTORNEY GENERAL
WILLIAM E. GRIFFIN
CHIEF ASST. ATTORNEY
GENERAL



TEL: (802) 828-3171
FAX: (802) 828-2154
TTY: (802) 828-3665
CIVIL RIGHTS: (802) 828-3657
<http://www.atg.state.vt.us>

STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT
05609-1001

February 12, 2009

Tina de la Bruere, Court Manager
Unit III, Orleans Circuit
Vermont District Court
217 Main Street
Newport, VT 05855

Re: Search Warrant

Dear Ms. de la Bruere:

Enclosed please find the original served search warrant and return of service. Should you have any questions, please do not hesitate to contact me at 802-828-1361.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Howell".

Detective Thomas E. Howell
Office of the Attorney General
Criminal Division

cc: AGO Case File
ODC