



MEMO

TO: File

FROM: Anne Marie Mooney, CFE  
James Taylor, CIA, CFE

DATE: August 1, 2007

RE: Town of Coventry, VT

During our ongoing review of policies, procedures and record keeping for the town, we reviewed several documents with Town Clerk Cynthia Diaz in her office at the Coventry Community Center during evening office hours on 2/28/07. We focused our discussion on the payment of property taxes by cash and by check. In 2004, property taxes were due by 11/4/04. If payment was delinquent, penalties and interest were owed until full payment or the property would go to tax sale. Diaz keeps carbon copies of deposit tickets in bound books. We copied all of her deposit tickets that were submitted to Community National Bank (CNB) for the town's account.

EXHIBIT 1

Diaz was asked to examine a copy of the deposit ticket dated 8/19/04 for \$5,883.21 comprised of \$1,840 in cash and 4 items recorded as checks. Her normal practice is to list currency without any explanation on the ticket, and to list the last name of the tax payor and the amount of the check on the ticket. Diaz was asked to explain the arrow that was marked from Frederick Webster's name to currency of \$1,840. She stated that Webster paid \$1,840 in cash and gave her a check for \$597.61 in payment of his 2004 property taxes. She was asked to note this on the ticket copy and initial and date same. She did so.

EXHIBIT 1A

Diaz was then shown the copy and details of the 8/19/04 deposit ticket as retrieved from CNB. Currency of \$1,840 and 4 checks, all totaling \$5,883.21 were deposited on 8/20/04.

There was not a check for \$597.61 from Webster in this deposit. There was a town check number 7535 issued to "Cynthia Daiz" for \$597.61 dated 8/10/04. We had examined this check during our visit on 8/11/06. Diaz is authorized to print and sign town checks (for i.e. payroll, vendor and petty cash) when warrants with documentation are approved by the town selectmen. We had noted that Diaz had been misspelled and requested, at that

time, back up documentation from her. She was never able to produce documentation for this check that was issued by her and to her for petty cash expenses.

Diaz was asked to explain why her town check for \$597.61 was in this deposit and why a check for Webster was not. She began to search for her petty cash back up documentation. We reminded her that she was never able to produce any back up. She reviewed her handwritten tax records for 2004 property tax payments for Webster and said that he paid \$2,434.52 in cash on 8/11/04. Diaz was again asked why her petty cash check was deposited. She said that she probably needed cash to make change for those tax payors that paid in cash.

#### EXHIBIT 1B

Diaz maintained an Excel spreadsheet showing various payments of 2004 property taxes noting whether payment is in cash or check and pertinent dates, amounts, and check numbers. This document indicates Frederick Webster paid \$2,434.52 in cash for 2004 property taxes on 8/11/2004.

#### EXHIBIT 1C

A tax stub is the bottom of the tax bill document. It is normally completed to indicate payment of taxes on various parcels. Per Town Clerk Diaz, tax stubs are maintained by the clerk as backup evidence of tax payment. This exhibit represents tax stubs for Frederick Webster indicating payment of his 2004 property taxes in cash for two parcels of land.

#### EXHIBIT 1D

This exhibit is: 1) Town of Coventry check number 7535 issued to Cynthia Daiz (misspelled last name) on 8/10/2004 in the amount of \$597.61; and, 2) accompanying check warrant report showing petty cash entry for the \$597.61 expenditure. There is no supporting documentation for this disbursement.

#### EXHIBIT 2

Diaz was asked to examine a copy of a CNB deposit ticket dated 11/6/04 for \$14,300.78 of which \$655.43 is listed as currency and 12 checks for property taxes. This carbon copy of the deposit ticket appears exactly as contained in her deposit book with her notation and initials. This ticket lists Diaz as paying her property taxes of \$3,284.57 by check. She said that this was accurate and referred to the town tax records kept in her

Attorney-Client Privilege  
Work Product Doctrine

own handwriting in which she recorded that she paid her taxes by personal CNB check number 116 on 11/4/04. She also kept the original tax ticket stub reflecting this information of which we have a copy.

EXHIBIT 2A

Diaz maintained an Excel spreadsheet showing various payments of 2004 property taxes noting whether payment is in cash or check and pertinent dates, amounts, and check numbers. This document indicates Cynthia Diaz paid \$3,284.57 for 2004 property taxes by check number 116 dated 11/4/2004.

EXHIBIT 2B

A tax stub is the bottom of the tax bill document. It is normally completed to indicate payment of taxes on various parcels. Per Town Clerk Diaz, tax stubs are maintained by the clerk as backup evidence of tax payment. This exhibit represents the tax stub for Cynthia J. Diaz indicating payment of her 2004 property taxes by check number 116 on 11/4/2004.

EXHIBIT 2C

Diaz was then shown a copy and details of the 11/6/04 deposit ticket as retrieved from CNB. Currency of \$3,940 and 12 checks, totaling \$14,300.78 were deposited on 11/16/04. She was asked why her check did not appear in the deposit and why currency had increased to \$3,940 from her deposit ticket entry of \$655.43 (see EXHIBIT 2). She hesitated. Diaz reviewed the book of carbon deposit tickets and rubbed her hand between the ticket of 11/1/04 for \$438 marked "recordings" and her ticket of 11/6/04 that was copied over the 11/1/04 ticket. She said that the deposit ticket recorded by her carbon deposit ticket that matched the bank's was missing from the bound book, and that the bank's records were accurate.

Diaz rambled on to say that before she took the money/check bag to the bank, the contents spilled out in the town's vault. She picked up what she could and deposited the items with another deposit ticket. She was again asked to explain how currency increased to \$3,940 and why her check was absent.

EXHIBIT 2D

Diaz was then shown a copy of a deposit ticket dated 11/1/04 with 15 checks listed for "recordings" in the amount of \$438. She reviewed the carbon ticket in her book. We

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Work Product Doctrine

told her that this ticket was a true deposit and had been written over to create the false 11/6/04 ticket.

EXHIBIT 2E

Diaz was shown the copy of the deposit ticket and details of the CNB deposit on 11/2/04. This ticket matches the 11/1/04 carbon ticket for \$438.00.

EXHIBIT 3

Diaz was asked to review a copy of a deposit ticket dated 5/31/05 for \$16,124.02 for 12 items. We couldn't read this ticket during our visit on 8/11/06, so we asked her to clarify what this ticket represented for deposits. She told us that the deposit contained an adding machine tape that included 12 amounts. She handwrote on this copy that \$16,124.02 was comprised of 12 checks.

EXHIBIT 3A

Diaz was then asked to examine this same deposit ticket during our visit on 12/21/06. She said that the deposit was comprised of \$12,782.02 by checks and \$3,246.00 in cash. She had dated and initialed this ticket.

EXHIBIT 3B

Diaz was asked to examine a copy of the deposit ticket and details of the 5/31/05 ticket as retrieved from CNB. The deposit of \$3,246.00 as cash and 12 checks for \$12,782.02, totaling \$16,124.02 was deposited on 6/6/05. She was asked to explain 2 personal (Cynthia J. Diaz) checks drawn on CNB for: 1) \$200, number 112 dated 10/31/04 payable to "cash"; and 2) \$3,284.57, number 116 dated 11/4/04 with notation "2004 taxes". She hesitated "Are you accusing me of not paying my property taxes?" Diaz was asked again to explain the \$200 check and \$3,284.57 check. She was told that penalties and interest would be more than \$3,484.57 (combination of the 2 checks) that she submitted.

Diaz lastly commented "Well, I can always pay money back for my delinquent taxes".

Attachments

# Exhibit 1 deposit ticket 20040819

**DEPOSIT TICKET**  
FOR CLEAR COPY, PRESS FIRMLY WITH BALL-POINT PEN.

**Community NATIONAL BANK**  
Dorcy, Vermont 05227

DATE 8/19/04 19

11

2004  
Taxes

| TOWN OR COUNTY | CURRENCY  | COIN | LIST EACH CHECK | DOLLARS |    | CENTS |
|----------------|-----------|------|-----------------|---------|----|-------|
|                |           |      |                 |         |    |       |
| 1              |           |      |                 | 1840    |    | -     |
| 2              | Worcester |      |                 | 57      | 61 |       |
| 3              | Fred      |      |                 |         |    |       |
| 4              |           |      |                 |         |    |       |
| 5              | Arden     |      |                 | 157     | 64 |       |
| 6              |           |      |                 |         |    |       |
| 7              |           |      |                 |         |    |       |
| 8              |           |      |                 | 302     | 56 |       |
| 9              |           |      |                 |         |    |       |
| 10             | Worcester |      |                 |         |    |       |
| 11             | Worcester |      |                 | 1416    |    | -     |
| 12             |           |      |                 |         |    |       |
| 13             |           |      |                 |         |    |       |
| 14             |           |      |                 |         |    |       |
| 15             |           |      |                 |         |    |       |
| 16             |           |      |                 |         |    |       |
| 17             |           |      |                 |         |    |       |
| 18             |           |      |                 |         |    |       |
| 19             |           |      |                 |         |    |       |
| 20             |           |      |                 |         |    |       |

TOTAL DEPOSITS 5883.81

TOTAL ITEMS 4

SS-102/119

PLEASE BE SURE ALL ITEMS ARE PROPERLY ENDORSED

DEPOSITS MAY NOT BE AVAILABLE IMMEDIATELY WITHDRAWALS

THE TERMS AND OTHER ITEMS ARE SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE AND THE FEDERAL RESERVE COLLECTION AGREEMENT.

Fred Webster  
 Paid \$1840 in cash  
 toward 2004 taxes  
 Then he wrote a check  
 \$57.61 toward  
 2004 taxes.

*[Signature]*  
 8/20/04

# Exhibit 1A bank support deposit ticket 20070819

## Community National Bank

|   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 | 73 | 74 | 75 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 | 85 | 86 | 87 | 88 | 89 | 90 | 91 | 92 | 93 | 94 | 95 | 96 | 97 | 98 | 99 | 100 |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|

Account:231308113-D, Item:100030022, Amount:\$5,883.21, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 231308113-D  
 100030022  
 08/20/2004  
 \$5,883.21

Account:231308113-D, Item:100030022, Amount:\$5,883.21, Date:08/20/2004

**CASH IN TICKET** COMMUNITY NATIONAL BANK  
 TELLER NO. 58  
 1058-C  
 100030023  
 08/20/2004  
 \$1,840.00

Account:1058-C, Item:100030023, Amount:\$1,840.00, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 1058-C  
 100030023  
 08/20/2004  
 \$1,840.00

Account:1058-C, Item:100030023, Amount:\$1,840.00, Date:08/20/2004

KATHERINE J. MACIE  
 3226  
 50505825-F  
 100030024  
 08/20/2004  
 \$1,527.04

Account:50505825-F, Item:100030024, Amount:\$1,527.04, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 50505825-F  
 100030024  
 08/20/2004  
 \$1,527.04

Account:50505825-F, Item:100030024, Amount:\$1,527.04, Date:08/20/2004

JOHN W. DR. MARIE WHEELER  
 2457  
 5052001337-F  
 100030025  
 08/20/2004  
 \$502.56

Account:5052001337-F, Item:100030025, Amount:\$502.56, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 5052001337-F  
 100030025  
 08/20/2004  
 \$502.56

Account:5052001337-F, Item:100030025, Amount:\$502.56, Date:08/20/2004

BROOKS INSURANCE AGENCY  
 4534  
 619735301-D  
 100030026  
 08/20/2004  
 \$1,416.00

Account:619735301-D, Item:100030026, Amount:\$1,416.00, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 619735301-D  
 100030026  
 08/20/2004  
 \$1,416.00

Account:619735301-D, Item:100030026, Amount:\$1,416.00, Date:08/20/2004

TOWN OF COVENTRY  
 7335  
 231308113-D  
 100030027  
 08/20/2004  
 \$597.61

Account:231308113-D, Item:100030027, Amount:\$597.61, Date:08/20/2004

COMMUNITY NATIONAL BANK  
 231308113-D  
 100030027  
 08/20/2004  
 \$597.61

Account:231308113-D, Item:100030027, Amount:\$597.61, Date:08/20/2004

# Exhibit 1B Excel document regarding Webster

| 2003 PROPERTY TAX PAYMENTS |                              |         |                   |         |        |                            |
|----------------------------|------------------------------|---------|-------------------|---------|--------|----------------------------|
| NAME                       | TAX DUE                      | DATE    | AMT PD            | CASH    | CK #   | NAME ON CK                 |
| WALLACE JOHN               | \$419.83                     | 8/26    | 419.83            |         | 3783   | Same                       |
| WARNER ROSE                | \$523.76                     | 10/26   | 523.76            |         | 458    |                            |
| WATSON JOHN V              | 1379 <sup>B</sup> \$2,002.71 | 11/1    | 2379 <sup>B</sup> |         | 26331  | Mortgage Services          |
| WATSON MEREDITH            | \$69.42                      | 12/1    | 69.42             |         |        | Pa.                        |
| WEBSTER FREDERICK          | \$147.90                     | 8/19/04 |                   | 147.90  |        | Same                       |
| WEBSTER FREDERICK          | \$2,286.62                   | 8/19/04 |                   | 2286.62 |        |                            |
| WEST AKEMI MIYAZAWA        | \$1,829.15                   | 11/1    | 1829.15           |         | 5826   |                            |
| WHEELER JOHN               | \$502.56                     | 8/19    | 502.56            |         | ✓      |                            |
| WHEELER JOHN JR            | \$729.56                     | 11/1    | 729.56            |         | 3718   |                            |
| WHITAKER CHARLES           | \$728.94                     | 11/4    | 728.94            |         | 331    |                            |
| WILCOX THELMA              | \$2,071.38                   | 11-2-   | 2071.38           |         | 266    | Same                       |
| WILCOX THELMA              | \$119.23                     | 11-2-   | 119.23            |         | 266    | "                          |
| WILLARD LAURA              | \$664.05                     | 10/30   | 664.05            |         | 816    |                            |
| WOOD DANIEL                | \$95.08                      | 11-4    | 95.08             |         | 5      | new check community D Wood |
| WOOD HAROLD SR             | \$271.66                     | 9/15/04 | 271.66            |         | 3077   | Jr not Sr                  |
| WOODARD JUDY               | \$124.51                     | 11-2-04 | 124.51            | 100     | 1820   | Same                       |
| WRIGHT CLAIRE              | \$595.79                     | 11/1    | 595.79            |         | 2536   |                            |
| WRIGHT DONALD              | \$1,950.98                   | 11/2    | 1950.98           |         | 288022 | community                  |
| WRIGHT HAZEN               | \$1,104.12                   | 10/27   | 1104.12           |         | 6024   |                            |
| WRIGHT NANCY               | \$159.98                     | 10/26   | 159.98            |         | 1502   |                            |

# Exhibit 1C Fred Webster 2004 tax stubs

## TOWN OF COVENTRY

| PAYMENT DUE       |              | TAX YEAR |
|-------------------|--------------|----------|
| 11/04/2004        |              | 2004     |
| OWNER NAME        |              |          |
| WEBSTER FREDERICK |              |          |
| PARCEL ID         |              |          |
| OTH44004.         |              |          |
| AMOUNT DUE        | 2,286.62     |          |
| AMOUNT PAID       | 2286.62 Cash |          |

## TOWN OF COVENTRY

| PAYMENT DUE       |             | TAX YEAR |
|-------------------|-------------|----------|
| 11/04/2004        |             | 2004     |
| OWNER NAME        |             |          |
| WEBSTER FREDERICK |             |          |
| PARCEL ID         |             |          |
| OTH01018.B        |             |          |
| AMOUNT DUE        | 147.90      |          |
| AMOUNT PAID       | 147.90 Cash |          |



# Exhibit 1D pg 1 Coventry check to Diaz

TOWN OF COVENTRY

7535

VEND: PETTYCASH: CYNTHIA DAIZ

| TRANS. DATE | INVOICE/REF. NO. | GROSS AMOUNT | DEDUCTION | NET AMOUNT |
|-------------|------------------|--------------|-----------|------------|
| 08/09/04    | through Aug      | 597.61       | 0.00      | 597.61     |

|             |                 |              |
|-------------|-----------------|--------------|
| 597.61      | 0.00            | 597.61       |
| TOTAL GROSS | TOTAL DEDUCTION | CHECK AMOUNT |

TOWN OF COVENTRY  
P.O. BOX 104  
COVENTRY, VT 05625-0104

COMMUNITY NATIONAL BANK  
DERRY, VERMONT 05828

7535

58-102/116

CHECK NO.

Five hundred ninety-seven & 61/100 Dollars

DATE  
08/10/04

AMOUNT  
\*\*\*\*597.61

PAY  
TO THE  
ORDER  
OF

CYNTHIA DAIZ  
PO BOX 104  
COVENTRY VT 05825

*Cynthia Diaz*  
AUTHORIZED SIGNATURE

SECURITY FEATURES INCLUDED. DETAILS ON BACK.

⑆007535⑆ ⑆011601029⑆ ⑆02313081⑆13

⑆0000059761⑆

# Exhibit 1D pg 2 Coventry check to Diaz

08/10/2004  
06:06 pm

TOWN OF COVENTRY Accounts Payable  
Check Warrant Report #

Page 1 of 2  
Administrator

All Invoices For Check Acct 20(GENERAL FUND) 07/14/2004 To 08/10/2004

| Vendor    | Invoice                         | Invoice Description                                      | Purchase Amount | Discount Amount | Amount Paid | Check Number | Check Date |
|-----------|---------------------------------|--|-----------------|-----------------|-------------|--------------|------------|
| ALLSTATES | 2004                            | remaining amount 2004                                    | 1694.62         | 0.00            | 1694.62     | 7525         | 08/10/04   |
| BC/BS     | Aug '04                         | health insurance   | 622.76          | 0.00            | 622.76      | 7513         | 08/05/04   |
| BC/BS     | PR-06/03/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-06/10/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-06/17/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-06/24/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-07/08/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-07/14/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| BC/BS     | PR-07/22/04                     | Payroll Transfer   | 18.87           | 0.00            | 18.87       | 7511         | 08/05/04   |
| CHRONICLE | THE CHRONICLE, INC              | Cov Day  | 20.00           | 0.00            | 20.00       | 7528         | 08/10/04   |
| COLTON    | J.B. COLTON                     | wald wire, staples, com                                  | 36.97           | 0.00            | 36.97       | 7529         | 08/10/04   |
| CONTRACT  | PAUL CUTTING                    | paint & Prime CC   | 256.00          | 0.00            | 256.00      | 7530         | 08/10/04   |
| CONTRACT  | PAUL CUTTING                    | wash & Paint CC  | 1475.00         | 0.00            | 1475.00     | 7530         | 08/10/04   |
| COTNOIR   | RICHARD COTNOIR                 | gravel & brush removal                                   | 212.50          | 0.00            | 212.50      | 7531         | 08/10/04   |
|           |                                 | loads of gravel, dig flooring for stairs trucking fill   |                 |                 |             |              |            |
| DESGARAI  | DESGARAI EQUIPMENT INC.         | 06/29/04   | 132.88          | 0.00            | 132.88      | 7526         | 08/10/04   |
| FRONDESK  | THE FRONT DESK                  | 31835  | 4.75            | 0.00            | 4.75        | 7532         | 08/10/04   |
| FRONDESK  | THE FRONT DESK                  | 32207  | 4.95            | 0.00            | 4.95        | 7532         | 08/10/04   |
| JUDDY     | JUDDY'S PORTABLE TOILET SERVIC  | 06-07-11-04  | 127.30          | 0.00            | 127.30      | 7533         | 08/10/04   |
| LOWRY     | ADAM LOWRY                      | July   | 1000.00         | 0.00            | 1000.00     | 7510         | 08/04/04   |
| NORFARM   | NORTHEAST FARM SERVICE INC      | 33903  | 10.24           | 0.00            | 10.24       | 7534         | 08/10/04   |
| PEFFYCASE | CYNTHIA DALE                    | through Aug postage, envelopes, cov                      | 597.61          | 0.00            | 597.61      | 7535         | 08/10/04   |
|           |                                 | Frank Carbonneau's contributions to coventry day =136.83 |                 |                 |             |              |            |
| ROYER     | ROYER'S SERVICE STATION         | July 2004  | 64.58           | 0.00            | 64.58       | 7536         | 08/10/04   |
| SONNY'S   | SONNY'S RENTALS AND HARDWARE IN | 1149   | 1535.60         | 0.00            | 1535.60     | 7537         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-06/03/04  | 28.03           | 0.00            | 28.03       | 7502         | 07/30/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-06/10/04  | 52.59           | 0.00            | 52.59       | 7502         | 07/30/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-06/17/04  | 27.22           | 0.00            | 27.22       | 7502         | 07/30/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-06/24/04  | 37.27           | 0.00            | 37.27       | 7502         | 07/30/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/01/04  | 36.65           | 0.00            | 36.65       | 7538         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/08/04  | 24.93           | 0.00            | 24.93       | 7538         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/12/04  | 2.59            | 0.00            | 2.59        | 7538         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/14/04  | 24.93           | 0.00            | 24.93       | 7538         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/22/04  | 30.93           | 0.00            | 30.93       | 7538         | 08/10/04   |
| SWT       | VERMONT DEPARTMENT OF TAXES     | PR-07/29/04  | 29.88           | 0.00            | 29.88       | 7538         | 08/10/04   |
| TOPHAT    | KOP HAT ENTERTAINMENT           | 10671  | 300.00          | 0.00            | 300.00      | 7539         | 08/10/04   |
| VERIZON   | VERIZON                         | 2288 - July 8027542288                                   | 170.38          | 0.00            | 170.38      | 7540         | 08/10/04   |
| VERIZON   | VERIZON                         | 6564 July '0 8027546564                                  | 52.63           | 0.00            | 52.63       | 7540         | 08/10/04   |
| VMERS     | VMERS DB                        | April 2004   | 90.86           | 0.00            | 90.86       | 7512         | 08/05/04   |
| VMERS     | VMERS DB                        | July '04   | 121.15          | 0.00            | 121.15      | 7514         | 08/05/04   |
| VMERS     | VMERS DB                        | June 2004  | 121.15          | 0.00            | 121.15      | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | May 2004   | 121.15          | 0.00            | 121.15      | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | PR-06/03/04  | 27.26           | 0.00            | 27.26       | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | PR-06/10/04  | 27.26           | 0.00            | 27.26       | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | PR-06/17/04  | 27.26           | 0.00            | 27.26       | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | PR-06/24/04  | 27.26           | 0.00            | 27.26       | 7503         | 07/30/04   |
| VMERS     | VMERS DB                        | PR-07/08/04  | 27.26           | 0.00            | 27.26       | 7514         | 08/05/04   |
| VMERS     | VMERS DB                        | PR-07/14/04  | 27.26           | 0.00            | 27.26       | 7514         | 08/05/04   |
| VMERS     | VMERS DB                        | PR-07/22/04  | 27.26           | 0.00            | 27.26       | 7514         | 08/05/04   |
| VMERS     | VMERS DB                        | PR-07/29/04  | 27.26           | 0.00            | 27.26       | 7514         | 08/05/04   |

# Exhibit 1D pg 3 Coventry check to Diaz

08/10/04  
06:06 pm


TOWN OF COVENTRY Accounts Payable  
Check Warrant Report #  
All Invoices For Check Acct 20 (GENERAL FUND) 07/14/2004 To 08/30/2004

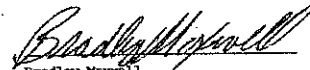
Page 2  
Administrator


| Vendor       | Invoice                          | Invoice Description     | Purchase Amount | Discount Amount | Amount Paid | Check Number | Check Date |
|--------------|----------------------------------|-------------------------|-----------------|-----------------|-------------|--------------|------------|
| VTELCO       | VERMONT ELECTRIC CO-OP           | 5/28 -6/28/0 Route 14   | 150.12          | 0.00            | 150.12      | 7527         | 08/10/04   |
| VTELCO       | VERMONT ELECTRIC CO-OP           | 6/28 -7/30/0 Route 14   | 150.12          | 0.00            | 150.12      | 7541         | 08/10/04   |
| VTDEP        | VT DEPT OF EMPLOYMENT & TRAINING | 2nd quarter VT Det 2-04 | 61.54           | 0.00            | 61.54       | 7515         | 08/05/04   |
| Report Total |                                  |                         | 9,780.05        | 0.00            | 9,780.05    |              |            |

Selectmen

To the Treasurer of TOWN OF COVENTRY, We Hereby certify that there is due to the several persons whose names are listed hereon the sum against each name and that there are good and sufficient vouchers supporting the payments aggregating \$ \*\*\*\*9,780.05  
Let this be your order for the payments of these amounts.

  
Michael Marcotte

  
Bradley Maxwell

  
Barry Allen

# Exhibit 2 deposit ticket 20041106 altered

DEPOSIT TICKET  
FOR CLEAR COPY, PRESS FIRMLY WITH BALL POINT PEN.



**Community**  
NATIONAL BANK  
Derby, Vermont 05320

DATE 11/6/04 19

*2004 Taxes*

TOWN OF GOVENTRY

| CURRENCY      | DOLLARS        | CENTS         |
|---------------|----------------|---------------|
|               | <del>255</del> | <del>43</del> |
| COIN          |                |               |
| LIST CHECK    |                |               |
| Bancorp       | 30             | 16            |
| Dorland       | 412            | 01            |
| Depyde        | 1805           | 45            |
| Conroy        | 1689           | 73            |
| Conroy        | 1030           | 77            |
| Conroy        | 432            | 76            |
| Guillette     | 547            | 84            |
| Glazier       | 381            | 83            |
| Vandew        | 1042           | 38            |
| Harris        | 733            | 54            |
| Whipple       | 1998           | 73            |
| Baxter        | 250            | 53            |
| Doz           | 3284           | 57            |
| <del>16</del> | <del>80</del>  |               |
| 17            |                |               |
| 18            |                |               |
| 19            |                |               |
| 20            |                |               |

PLEASE ENTER TOTAL  
TOTAL DEPOSIT ITEMS 1430 73  
PLEASE BE SURE ALL ITEMS ARE PROPERLY ENDORSED  
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

58-102/116

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION INSTRUMENT.

⑈ 231308113 131

# Exhibit 2A Excel document regarding Diaz

| 2003 PROPERTY TAX PAYMENTS |            |          |         |      |          |                   |
|----------------------------|------------|----------|---------|------|----------|-------------------|
| NAME                       | TAX DUE    | DATE     | AMT PD  | CASH | CK #     | NAME ON CK        |
| DALPE JACQUES              | \$236.94   | 9/13/04  | 236.94  |      | 2632     | Madelina Dalpe    |
| DARBY EDWARD               | \$1,313.00 | 10/22    | 1313    |      | 5275     |                   |
| DARLING DAVID              | \$412.01   | 11/4     | 412.01  |      | 4255     |                   |
| DAVIS HAROLD               | \$870.53   | 9-16-04  | 870.53  |      | 10025068 | Chittenden        |
| DESROCHERS RENE            | \$463.32   | 10/20    | 463.32  |      | 1298     |                   |
| DESROCHES ALAN             | \$740.88   | 11/1     | 740.88  |      | 126331   | Mortgage Services |
| DEVOST BARBARA             | \$250.53   | 11-2     | 250.53  |      | 174      | Victor L. Carter  |
| DEVOST RICHARD N           | \$864.36   | 11-2-04  | 864.36  |      | 4307     | same              |
| DEWING BRIAN               | \$1,356.22 | 11-2     | 1356.22 |      | 462      | Same              |
| DEZOTELLE MARIA            | \$278.86   | 8/26     | 278.86  |      | 226      | Same              |
| DIAZ CYNTHIA J             | \$3,284.57 | 11/4     | 3284.57 |      | 116      |                   |
| DION CHARLES               | \$641.41   | 8/27     | 641.41  |      | 883      | Same              |
| DONCASTER OTIS             | \$1,056.78 | 11-2     | 1056.78 |      | 6249     | Same              |
| DONDERO DONALD LUTHER      | \$845.84   | 10/28    | 845.84  |      | 409      |                   |
| DOPP WANDA                 | \$275.77   | 9/7      | 275.77  |      | 2468     | same              |
| DORAIS CLAUDE A            | \$476.91   | 8/1/05   | 476.91  |      |          |                   |
| DROWN CHARLES              | \$149.41   | 11-2     | 149.41  |      | 4396     | same              |
| DROWN CHARLES              | \$817.99   | 11-2     | 817.99  |      | "        |                   |
| DROWN CHARLES              | \$782.93   | 11-2     | 782.93  |      | "        |                   |
| DROWN CHARLES SR           | \$789.31   | 11-2     | 789.31  |      | 4396     |                   |
| DROWN GERTRUDE             | \$466.69   | 9/27/04  | 466.69  |      | 4187     | same              |
| DUCHARME BEATRICE          | \$591.68   | 10/27/04 | 591.68  |      | 779      |                   |
| DUFF NORMAN                | \$372.77   | 10/23    | 372.77  |      | 2786     |                   |
| DUROCHER ALFRED            | \$481.57   | 11-4-04  | 481.57  |      | 1516     |                   |

17343.37

# Exhibit 2 B Diaz 2004 tax stub

## TOWN OF COVENTRY

| PAYMENT DUE    |          | TAX YEAR                                  |
|----------------|----------|---|
| 11/04/2004     |          | 2004                                      |
| OWNER NAME     |          |   |
| DIAZ CYNTHIA J |          |   |
| PARCEL ID      |          |   |
| 0TH01013.A     |          |   |
| AMOUNT DUE     | 3,284.57 | <b>P A I D</b><br><u>11-4-04</u><br>✓ 116 |
| AMOUNT PAID    |          |   |

# Exhibit 2C 20041106 deposit ticket deposit detail

## Community National Bank

**DEPOSIT TICKET**  
1040243 COPY, PRINT, 2004 VERBALLY FOR 11/17/04

ACCOUNT: 231308113-D, Item: 100070294, Amount: \$14,300.78, Date: 11/16/2004

TELLER NO. 33

| DATE     | AMOUNT   | CHECK NO. | DEBIT | CREDIT   | BALANCE  |
|----------|----------|-----------|-------|----------|----------|
| 11/16/04 | 14300.78 |           |       | 14300.78 | 14300.78 |
| 11/16/04 | 14300.78 |           |       | 14300.78 | 14300.78 |
| 11/16/04 | 14300.78 |           |       | 14300.78 | 14300.78 |

TOTAL OF DEPOSIT FOR DEPOSIT: \$14,300.78

DATE: 11/16/04

AMOUNT: 14300.78

TELLER NO. 33

**CASH IN TICKET**

TELLER NO. 33

COMMUNITY NATIONAL BANK

NEWPORT SPANISH

DATE DEPOSIT: 11/16/2004  
ACCOUNT: 231308113 D  
TELLER: 33

AMOUNT: \$14,300.78

TELLER NO. 33

COMMUNITY NATIONAL BANK

NEWPORT SPANISH

AMOUNT: \$14,300.78

ACCOUNT: 231308113-D, Item: 100070294, Amount: \$14,300.78, Date: 11/16/2004

TELLER NO. 33

COMMUNITY NATIONAL BANK

NEWPORT SPANISH

AMOUNT: \$14,300.78

ACCOUNT: 231308113-D, Item: 100070294, Amount: \$14,300.78, Date: 11/16/2004

TELLER NO. 33

COMMUNITY NATIONAL BANK

NEWPORT SPANISH

AMOUNT: \$14,300.78

# Exhibit 2D Coventry deposit ticket 20041101 written over

DEPOSIT TICKET  
FOR CLEAR COPY, PRESS FIRMLY WITH BALL POINT PEN.



**Community**  
NATIONAL BANK  
Derby, Vermont 05829

DATE 11/1/04 19

*Oct 20  
recording*

TOWN OF COVENTRY

|                   | DOLLARS | CENTS |
|-------------------|---------|-------|
| CURRENCY          |         |       |
| COIN              |         |       |
| LIST EACH CHECK   |         |       |
| 1 <i>Amherst</i>  | 21      | -     |
| 2 <i>Amherst</i>  | 7       | -     |
| 3 <i>Amherst</i>  | 45      | -     |
| 4 <i>Amherst</i>  | 28      | -     |
| 5 <i>Amherst</i>  | 7       | -     |
| 6 <i>Amherst</i>  | 21      | -     |
| 7 <i>Amherst</i>  | 7       | -     |
| 8 <i>Amherst</i>  | 21      | -     |
| 9 <i>Amherst</i>  | 8       | -     |
| 10 <i>Amherst</i> | 28      | -     |
| 11 <i>Amherst</i> | 10      | -     |
| 12 <i>Amherst</i> | 7       | -     |
| 13 <i>Amherst</i> | 45      | -     |
| 14 <i>Amherst</i> | 45      | -     |
| 15 <i>Amherst</i> | 120     | -     |
| 16                |         |       |
| 17                |         |       |
| 18                |         |       |
| 19                |         |       |
| 20                |         |       |

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT.

⑈02213081113 131

PLEASE ENTER TOTAL DEPOSIT AMOUNT  
TOTAL DEPOSIT ITEMS 13  
PLEASE BE SURE ALL DEPOSITS MAY NOT BE AVAILABLE PROPERLY ENDORSED FOR IMMEDIATE WITHDRAWAL  
TOTAL DEPOSIT ITEMS 438  
58-102/116



Exhibit 2E Community National Bank deposit ticket 20041101  
written over

Community National Bank

**DEPOSIT TICKET**  
COMMUNITY NATIONAL BANK

DATE: 11/16/04

Account: 231308113-D, Item: 100190149, Amount: \$438.00, Date: 11/02/2004

| CURRENCY | AMOUNT | DATE |
|----------|--------|------|
| CON      |        |      |
| Check    | 100    |      |
| Check    | 7      |      |
| Check    | 49     |      |
| Check    | 27     |      |
| Check    | 7      |      |
| Check    | 24     |      |
| Check    | 7      |      |
| Check    | 24     |      |
| Check    | 24     |      |
| Check    | 24     |      |
| Check    | 7      |      |
| Check    | 24     |      |
| Check    | 24     |      |
| Check    | 49     |      |
| Check    | 126    |      |

AMOUNT OF DEPOSIT: \$438.00  
TOTAL DEPOSIT: \$438.00  
TOTAL BALANCE: \$438.00

Signature: [Signature]

DATE: 11/16/04

Account: 231308113-D, Item: 100190149, Amount: \$438.00, Date: 11/02/2004

AMOUNT OF DEPOSIT: \$438.00  
TOTAL DEPOSIT: \$438.00  
TOTAL BALANCE: \$438.00

Signature: [Signature]

DATE: 11/16/04

Exhibit 3 deposit ticket 20050531 received August 2006

FOR CLEAR COPY, PRESS FIRMLY WITH BALL POINT PEN.



**Community**  
NATIONAL BANK  
Derby, Vermont 05820

DATE 5/31/05 19

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT.

*04 Taxes*  
*xxxx*  
*Please note*  
*Tried to copy dark*  
*on photo*  
*But this*  
*didn't come out*  
*So I wrote it in on your copy*

|                 | DOLLARS | CENTS |
|-----------------|---------|-------|
| CURRENCY        |         |       |
| COIN            |         |       |
| LIST EACH CHECK |         |       |
| 1               |         |       |
| 2               |         |       |
| 3               |         |       |
| 4               | 16124   | 02    |
| 5               |         |       |
| 6               |         |       |
| 7               |         |       |
| 8               |         |       |
| 9               |         |       |
| 10              |         |       |
| 11              |         |       |
| 12              |         |       |
| 13              |         |       |
| 14              |         |       |
| 15              |         |       |
| 16              |         |       |
| 17              |         |       |
| 18              |         |       |
| 19              |         |       |
| 20              |         |       |

TOTAL DEPOSIT  
16124 02

PLEASE BE SURE ALL ITEMS ARE PROPERLY ENDORSED.

58-1027116  
6/30/05  
bk st

CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT.



# Exhibit 3B deposit detail 20050606 pg 1

## Community National Bank

|   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |     |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 | 73 | 74 | 75 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 | 85 | 86 | 87 | 88 | 89 | 90 | 91 | 92 | 93 | 94 | 95 | 96 | 97 | 98 | 99 | 100 |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|

COMMUNITY NATIONAL BANK  
 118  
 06/06/2005  
 \$16,124.02  
 \*0251308 16 13 331 \*00001612402\*

Front of Item #:198401002004523, Amount:\$16,124.02, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 118  
 06/06/2005  
 \$16,124.02  
 \*0251308 16 13 331 \*00001612402\*

Back of Item #:198401002004523, Amount:\$16,124.02, Date:06/06/2005

**CASH TICKET**  
 COMMUNITY NATIONAL BANK  
 TELLER NO. 33  
 06/06/2005  
 \$3,246.00  
 \*5000\*00406 \*06 03 3\* 811 \*0000324600\*

Front of Item #:198401002004524, Amount:\$3,246.00, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 118  
 06/06/2005  
 \$3,246.00  
 \*5000\*00406 \*06 03 3\* 811 \*0000324600\*

Back of Item #:198401002004524, Amount:\$3,246.00, Date:06/06/2005

2521  
 06/06/2005  
 \$360.00  
 \*021167477515037002904\* 2521 \*0000036000\*

Front of Item #:198401002004525, Amount:\$360.00, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 118  
 06/06/2005  
 \$360.00  
 \*021167477515037002904\* 2521 \*0000036000\*

Back of Item #:198401002004525, Amount:\$360.00, Date:06/06/2005

119  
 06/06/2005  
 \$3,284.57  
 \*0116010294 \*06212824\*01 0119 \*0000328457\*

Front of Item #:198401002004526, Amount:\$3,284.57, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 119  
 06/06/2005  
 \$3,284.57  
 \*0116010294 \*06212824\*01 0119 \*0000328457\*

Back of Item #:198401002004526, Amount:\$3,284.57, Date:06/06/2005

112  
 06/06/2005  
 \$200.00  
 \*0116010294 \*06212824\*01 0112 \*0000200000\*

Front of Item #:198401002004527, Amount:\$200.00, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 112  
 06/06/2005  
 \$200.00  
 \*0116010294 \*06212824\*01 0112 \*0000200000\*

Back of Item #:198401002004527, Amount:\$200.00, Date:06/06/2005

1673  
 06/06/2005  
 \$118.03  
 \*0116010294 \*06212824\*01 01673 \*0000011803\*

Front of Item #:198401002004528, Amount:\$118.03, Date:06/06/2005

COMMUNITY NATIONAL BANK  
 1673  
 06/06/2005  
 \$118.03  
 \*0116010294 \*06212824\*01 01673 \*0000011803\*

Back of Item #:198401002004528, Amount:\$118.03, Date:06/06/2005