Tape 6 - 5-3-96

DONEY: I can put it in the record, and it's by way of a letter dated April 8, 1996 from Mr. Ed Holt to Mr. Randolph and myself, and attached to it identifies the time and expense of producing the reports that were prepared by Nolan, Holt & Miner, and as indicated in this letter, and I'm going to read it for the record:

April 8, 1996
To Robert J. Doney, Town Manager, and Mr. John C. Randolph, Town Attorney
Dear Messrs. Doney and Randolph:

Enclosed is our invoice for professional services. As you are aware, the amount of time we expended was significantly higher than the time we estimated to complete the engagement. This invoice does not include the additional time required to complete the engagement in the manner we believe was necessary. In addition, we will attend a Council meeting to answer any questions members of Council may have at no additional cost. We appreciate the opportunity to have been of service.

Sincerely, Ed, Nolan, Holt & Miner, P.A.

Attached to that is an invoice--

SMITH: Mr. Doney, maybe at this point, if you could tell us what did it cost?

DONEY: The cost--the professional fees that were identified by Nolan, Holt & Miner were $64,100.90. The actual amount billed to the Town of Palm Beach and will be paid by the Town of Palm Beach is $40,287.50. I consider the report to be absolutely necessary to properly conduct the investigation that I had commissioned on Mrs. Crozier, inasmuch as she served in the capacity, and continues to serve in the capacity as Finance Director. I had my decision making responsibilities, and I felt as though, when she has that much financial responsibility as Finance Director, I felt as though this was prudent to make sure all Town funds, to the degree that they could under reasonably agreed upon procedures, were secure. I felt I had that responsibility to the Mayor and Town Council, and the taxpayers of the Town of Palm Beach, based upon my investigation of what I had known and consultation with Chief Terlizzese, Major Reiter, Mr. Randolph, and Mr. Elwell, and I fully stand by that, and I totally take exception to the inference that you think that I was on a witch hunt or anything else. I think you're very offensive, MARIANI, and I am fully doing my duties and responsibilities.

MARIANI: Sir, I'm not here to offend you. I'm here to represent a client and try to help Council, who has to act as a jury, determine what the facts are. So please don't take any personal umbrage from my questions.

DONEY: It's not personal umbrage, it's professional umbrage.

MARIANI: Let me ask you to turn to your April 15 report, please. On the first page, this is Town Exhibit 9.

DONEY: Which exhibit are you on again?

MARIANI: Town Exhibit 9, which is your April 15, I'll call it as subject matter is defined, Conclusion of Administrative Investigation of Marie Crozier. Do you have that document, sir?

DONEY: I do. I have it right here.

MARIANI: Okay. On the first page of your memorandum, at the bottom, under Section 5-17, do you see that?

DONEY: Yes.

MARIANI: You said you had subordinates within the Finance Department perform frequent personal banking errands for you, um, on Town time. Now let me ask you sir, what was your understanding of when the runner from the Finance Department went to the bank? Do you have any understanding about that procedure at all?

DONEY: Yes.

MARIANI: And, what, uh, let's describe for the Council, uh, how the runner goes to the bank, and how--with what frequency on Town business.

DONEY: The Town employee in the Finance Department who would take, uh, deposits and other banking transactions to the bank--First Union National Bank and, uh, Great Western on payroll days--there was bi-weekly and weekly payrolls--uh, and I am aware at times that there were incidents where Finance Department employees had occasionally asked that a transaction be performed for them. Additionally, I'm aware from testimony, and from investigation that was reported to me by Mr. Elwell, Mr. Randolph and Mr. Crouse that there was frequent banking transactions being performed for Mrs. Crozier, that I found totally unacceptable.

MARIANI: Sir, I'm asking, do you know the frequency with which the runner goes to the banks from the Finance Department?

DONEY: My understanding is that it may be as frequently as daily, and I know it's always on the payroll days also, bi-weekly and weekly.

MARIANI: In fact, in fact, it is daily, isn't it? That a runner goes from the Finance Department--

DONEY: For deposits from the uh--

MARIANI: Let me finish my question, if I may. The runner goes to the banks every day from the Finance Department. That's true isn't it?

DONEY: To make cash deposits and other transactions, correct.

MARIANI: For the Town?

DONEY: For the Town of Palm Beach.

MARIANI: So every day a runner is going from the Finance Department to the Town [sic] on official Town business.

DONEY: First Union National Bank.

MARIANI: Okay. And First Union is what, about a block and a half from here?

DONEY: Approximately.

MARIANI: And Great Western is maybe two blocks, two and a half blocks?

DONEY: Less than a block.

MARIANI: Okay. The other way around. Thank you. So the runner just walks from the office, goes to the banks, comes back. That's what happens, and it happens every day, doesn't it?

DONEY: On the deposits, correct. It's the manner in which the frequency of the personal banking transactions for Mrs. Crozier that gave me concern, and that's what I reported in here.

MARIANI: Do you have any evidence to suggest that a runner was asked to go at some other special time, or at some unusual um, uh, special journey to the bank, other than on the routine and ordinary occurrence when it goes every day to transact Town business?

DONEY: Yes.

MARIANI: Would you please describe them?

DONEY: Through the information reported to me by Mr. Elwell and Mr. Crouse and Mr. Randolph, and also through the information that was provided here yesterday through direct testimony that Mr. Randolph had requested from individuals in the Finance Department.

MARIANI: Now, see, that's what I'm trying to get to. There was no testimony that there was a special trip for Ms. Crozier. There's only been testimony that her personal banking errands were performed by Town employees on Town time, and what I'm trying to find out from you is, whether you can identify with specificity, sir, any occasions other than the routine run, which occurred every day by the runner from Finance to the banks, whether you can identify with specificity any other times when a trip was made for Ms. Crozier, I'm going to ask you to identify with specificity and the frequency in that context, not just this general conclusion that a lot of times people went to the bank for Ms. Crozier. Do you understand the distinction I'm drawing?

DONEY: I understand your question. I do not have specific dates and times. I have that information reported to me though, from the investigations conducted by Mr. Elwell, and Mr. Crouse, and Mr. Randolph.

MARIANI: Well, it's due day right now, and I need you to show where in the record any of that material is, because we'd like to see it.

SHAW: May I ask you a question, just for clarification. Generally, the term runner implies an independent person, whose job is to do something. Are we talking about a runner or are we talking about Town employees, part of the Finance Department, who on their own, or during time Town, uh, Town time, excuse me, are going to the bank, because?

MARIANI: I may have mis-spoke. What I'm describing, or what I intend to describe is that as an official Town activity in the Finance Department, an employee of the Town was assigned each day, I think the same person, over a period, would make a run to the bank on each day at a specific time to transact the Town business, either deposits, or whatever else had to be done, so this was a normal event each day from the Finance Department to the bank.

McLENDON: I think I heard testimony yesterday that there were separate trips. I've forgotten who made it.

MARIANI: Well, I would respectfully disagree, sir. I think the inference is being left there by, by counsel and the conclusory comments, and that's why I'm pursuing this line of cross examination, because I am concerned that that--that those facts are not in the record, but certainly the inference that they would like you to draw is that Marie Crozier had people get up from their desks at odd hours to run to the bank. So, I'd like at this time for the Town to point out where in the record, because again, we've spent all this time and money, where in the record it shows that there were frequent occasions when Marie was sending Town employees to the bank on her own business, as distinguished from the normal run, when the employee would go to the bank.

SMITH: All right. Mr. Doney, do you want to think about that? Counsel has asked for a five minute recess. You think about it, Mr. Doney. Stay there, or do whatever.

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SMITH: All right. If you'll all take your seats, please. Mr. Shaw. Mr. Shaw. Please. Well, if you're not careful we'll put you in the hot seat and Mr. Mariani will really hear somebody talk. You will be drained, Mr. Mariani.. All right. You haven't heard anything until you've heard Mr. Shaw. All right, Mr. Mariani, are you ready?

MARIANI: Thank you. Mr. Doney did you, um, talk with anybody during the break?

DONEY: No I did not.

MARIANI: Okay. Did you look at any documents?

DONEY: No, I had, had--only the document I had in hand, which is the April 15th, 1996 memorandum.

MARIANI: Let's turn back to that memorandum. On the bottom of page 2, Section 6-6.4, at the bottom, in your report you say uh, that Marie Crozier borrowed money from subordinates, plural, who alleged that she did not pay them back. Okay. We heard Ms. Kelly testify yesterday that Ms. Crozier had lent money to Ms. Kelly previously, and then Ms. Kelly had gone back and various times asked Ms. Crozier if she ever needed a loan, and all that testimony is in the record. Can you tell me, uh, well, preliminary, the first question is I assume that that's one of the instances you're describing in this statement at the bottom of page 2, borrowed money from subordinates?

DONEY: That is correct.

MARIANI: Okay. Could you describe for the Council what other examples of borrowing of money from subordinates you have?

DONEY: For specifics on that I would need to, and I would request that Mr. Elwell, who reported to me, and who I delegated authority to under this review team procedure, be able to give the particular details of the interviews conducted with members of the Finance Department as far as specific details. I know there were more than one incident, and I can't tell you the specifics as to dates and times.

MARIANI: Well, please sir, don't say you know unless you do know.

DONEY: I know from Mr. Elwell as reported to me.

MARIANI: Okay, well please name them for the record. Let's get them in the record.

DONEY: I don't have the particulars. Mr. Elwell would have to report the particular names.

MARIANI: It's a fact sir, is it not, that there are no other instances of borrowing of money?

DONEY: I don't believe it is.

MARIANI: But you can't put in the record now, or you can't point to anything in the record that shows the more than one occasion which was testified to yesterday?

DONEY: I can only, from what Mr. Elwell reported to me, and Mr. Crouse and Mr. Randolph. I know that it occurred in more than one occasion.

MARIANI: But see, sir, we have a problem here. None of that's in the record. You have to understand that. This record has to be used to determine whether Marie Crozier is dismissed as the Town Financial Director. So, I--

PHETERSON: Is there a question there? I mean, you've made a statement. I think that if you believe his answer--

MARIANI: Well, I'm going to move to strike every time the witness answers somebody else has to answer the question. Either he knows or he doesn't know. But he should not leave the inference in this record that there are facts about other loans from, from subordinates when, in fact, there are not. I think that's highly inappropriate. So, I'll ask for an instruction that if the witness knows an answer to my question he should answer, but if he does not know he should not be allowed to imply that there are facts when in fact there are no facts I the record.

PHETERSON: I believe that you can--you can ask whatever questions you would like to ask. I would, I would caution the witness that if a question is asked by any of the attorneys that can be answered yes or no, try to answer it yes or no, and then if they want additional information they can request additional information. In other words, listen carefully to the question. If you can answer it yes or no, please answer yes or no, and if your counsel wants some clarifying information to come in he may ask you supplementary questions. Is that--does that address your concerns sir?

MARIANI: I believe it does.

PHETERSON: Okay.

MARIANI: Mr. Doney, can you name with specificity, one other example of Ms. Crozier borrowing money from subordinates?

DONEY: No, I can't.

MARIANI: Did you hear Ms. Kelly's testimony yesterday?

DONEY: Mr. uh--

MARIANI: The next question, sir. Did you hear Ms. Kelly's testimony yesterday? You were in the room, were you not?

DONEY: Yes.

MARIANI: And she described that Ms. Crozier had lent her money in the past long before, or before Ms. Kelly ever lent money to Ms. Crozier? Did you hear that testimony?

DONEY: Yes.

MARIANI: Do you have any reason to doubt that?

DONEY: No.

MARIANI: Now you state in your report, you allege in your report that Ms. Crozier did not pay them back. Did you hear Ms. Kelly's testimony yesterday, that she had no concern that Ms. Crozier was paying her back? Did you hear that testimony?

DONEY: Yes.

MARIANI: Okay. Yet, in your report you say that subordinates, plural, allege that Ms. Crozier did not pay them back. Could you please give us one example, with specificity, of any subordinate who told you that Ms. Crozier did not pay that subordinate back?

DONEY: As I indicated, Mr. Mariani, earlier, the actual interviews were conducted by Mr. Elwell and Mr. Crouse, and they have the specific names of the individuals who reported to them that

Mrs. Crozier did not pay back money. That information, and under my authority to delegate responsibility to individuals in the Town of Palm Beach. I have the ability to ask them to give me reports. I relied upon the factual accuracy of those reports, and I stand by those reports, and I did rely upon those reports to me in making my determination and recommendations here.

MARIANI: I must move to have the answer stricken.

PHETERSON: Mr. Doney, does that mean the answer would be no, you don't know the names and any specifics personally?

DONEY: I do not, but I can tell you that I know the specifics that were told to me by Mr. Elwell and Mr. Crouse.

MARIANI: Well then tell us those specifics, that's my question.

DONEY: I don't have those in hand, sir.

MARIANI: This is grossly unfair. This is grossly unfair.

PHETERSON: Mr. Doney, I would just ask if you don't know if you can simply say you don't recall. That's also an acceptable answer if you're asked a question that at one point you might have known the answer to, but you don't presently recall. There's no question pending sir. There's no question pending sir. But let me also tell counsel I think the witness is attempting to assist you in some way, because if you want to call some of these other people in your case he's telling you who might have that information, so for you to be raising some sort of a due process concern, if anything, he is attempting to help you.

MARIANI: Well, with all due respect to your comment, and I do respect your comments, there has been no discovery here. We do not have an opportunity to keep this going for three months. This is the gentleman who got on the stand. He's the Town Manager. He introduced the report that this Council's going to use, hopefully not, but may use to fire Marie Crozier as the Town Finance Director. I think it's grossly unfair that he be able to submit the report, say that it's his report, say that he relied on all this information, and then not testify about any of the facts. There are no facts in this report. There are only conclusions. We need to get to the facts, and this is the witness that should have the facts, and I stand by that statement, and I think that this tribunal has to recognize that.

SMITH: But, Mr. Mariani, you don't know that Mr. Randolph isn't going to call Mr. Crouse and Mr. Elwell to testify to these facts.

MARIANI: Perhaps he will. Then this witness can simply say I don't know.

SMITH: All right. Good.

MARIANI: I think it's a fair question, and if they want to keep this proceeding going longer, they can.

SMITH: He can say yes, no, I don't recall, or I don't know. All right.

MARIANI: But I would point out to the president that this gentleman testified already yesterday, and Mr. Randolph made the statement that he was done testifying and would not come back as a witness, which is why he's not being sequestered. We're going around in a circle here. We have all the conclusions in, but we have none of the facts in, and if the Town Manager can't testify to the facts, why are we here?

PHETERSON: Do you have another question, sir?

MARIANI: Yes, I do.

SMITH: Mr. Randolph, is there something you wanted to say?

RANDOLPH: No, not at this point.

SMITH: No. All right. Mr. Mariani, please go ahead.

MARIANI: Did anyone tell you. Did any subordinate in the Finance Department tell you that Marie Crozier did not pay them back?

DONEY: No.

MARIANI: Okay. Turning to the next page. Page three. Have you ever dealt with a hostile work environment in any of the other eight departments in the Town?

DONEY: I would say no.

MARIANI: Has anybody ever filed a grievance against another director of a department in the Town relating to hostile work environment, or abusive behavior by a manager?

DONEY: There was a grievance filed regarding Mr. Dusey.

MARIANI: Could you describe the nature of that grievance?

DONEY: I'll need to reference the paperwork on it.

MARIANI: Sir, look at whatever you'd like, believe me, I don't want to surprise you in any way. We're just looking for the truth.

DONEY: Are you referring to a specific incident, sir?

MARIANI: No, I'm asking you whether there are other examples where you, as the Town Manager, had to deal with hostile work environments in other departments, or whether this was an issue of first impression for you? Perhaps could you answer that question. Have you had to address a hostile work environment issue before in your years as the Town Manager?

DONEY: I would not characterize the issue that I recall regarding Mr. Dusey as a hostile work environment issue.

MARIANI: Okay, well let me ask you this question, then. Who came up with the phrase "hostile work environment?" Is that a phrase that you coined to put in your report of April 15?

DONEY: It came up collectively by the review team and myself and Mr. Randolph.

MARIANI: So, the situation you're describing with Mr. Dusey. How would you describe that situation?

DONEY: I need to find the papers, sir, and I don't have them in hand.

MARIANI: Well, what paper are you referring to?

DONEY: There was an incident regarding a Douglas Higgins. It was several years ago, but I don't have those documents.

MARIANI: Well, what's your recollection of what the incident was?

DONEY: I don't have recall back to, I believe it was about 1991, and that's why I'm trying to find the particulars.

MARIANI: Well, in this investigation of the so-called hostile work environment in the Finance Department, did you call up any prior experience or did you analogize to any other situation you had dealt with previously in your tenure as Town Manager in order to determine how you wished to proceed with respect to Marie Crozier?

DONEY: I did not feel that I needed to.

MARIANI: Okay. We don't have a lot of documentation, because there's been no discovery in this matter, but let me show one document that we do have, and I'm just going to ask whether this refreshes your recollection. I have a complaint submitted by, I think it's Doug Higgins, and a memorandum from you to Mr. Dusey, who's the Director of Public Works.

DONEY: That's the document I was referring to.

MARIANI: Oh, it is. Okay. Why don't you take a quick look at that and see if it refreshes your recollection whether you've ever dealt with a situation involving complaints by subordinates of abusive behavior by a director of a department in the Town?

DONEY: Yes, I dealt with this matter in my memorandum of April 21, 1992 to Mr. Dusey--Complaint Submitted by Douglas Higgins, Mechanic II, Investigations, Findings and Recommendations.

MARIANI: Now, in respect of that investigation of Mr. Dusey, um, what conclusion did you come to? Was Mr. Dusey removed as department head?

DONEY: I'll need to refer to the document. He was not removed as department head. I don't recall the specifics of that incident in 1992--the memorandum that you just had.

MARIANI: Was he put on probation?

DONEY: My recollection of the incident was that he was not--this was a single incident and where Mr. Dusey had employed that method of trying to get an individual's attention, uh, and I don't have the memorandum handy. If you'll hand it to me I can refresh my memory.

MARIANI: I'm just asking you, was he suspended? Do you recall whether he was or not?

DONEY: He was not suspended.

MARIANI: How long has Mr. Dusey been manager of that department?

DONEY: I believe since June of 1995, I believe, 1985--June of '85.

MARIANI: Do you remember whether you called him and sat him down and talked to him about adjusting his behavior?

DONEY: I do recall talking to him, yes.

MARIANI: In this particular--in our situation though you never called Marie in to talk about the so called hostile work environment, did you, prior to April 5, after you did your first investigation report?

DONEY: April 4th report?

MARIANI: April 4th, excuse me. You never. Prior to April 4th you never sat down with Marie and said anything about adjusting behavior or anything like that, did you?

DONEY: On that specific issue?

MARIANI: On the hostile--the so called hostile work environment issue.

DONEY: On that issue, no.

MARIANI: Now, did you talk--did you interview any of the three witnesses that your attorney brought in yesterday to testify on this issue?

DONEY: I did not.

MARIANI: Okay. I apologize, but I forget your answer. Can you tell me whether all of the employees of the Finance Department were interviewed before determination was made of the so called hostile work environment?

DONEY: I would need to rely upon and refer to Mr. Elwell, Mr. Crouse, and Mr. Randolph as to the specific employees who were interviewed. I know many, if not all, were interviewed. I don't know all. I can't give you absolute. That's why I'm trying to be helpful and offer you who can be asked that question that I relied upon in the--my delegation and request that they complete an investigation.

MARIANI: Besides your three witnesses yesterday, is there anybody else in that department, actually one wasn't in that department, but is there anybody else in that department who believes that there is a hostile work environment?

DONEY: I don't know.

MARIANI: Did you do any evaluation of other departments to see what the percentage of people who worked in that department may have felt was a hostile work environment?

DONEY: I didn't feel I needed to. That wasn't an allegation that I was investigating. I was investigating specific allegations against Marie Crozier.

MARIANI: Did you evaluate the credibility of the people who brought the allegations of hostile work environment?

DONEY: The review team did, and I relied upon that.

MARIANI: No, excuse me. I understand what you're relying on, sir, and I'm not trying to tie you up in a ball here. I'm just trying to find out what you did. You're the Town Manager. If your testimony is all you did was rely on what other people told you and put a report together, then we'll just stop there, okay? But, I'm asking you, did you evaluate credibility of any of those people? Did you at any time say to yourself or say to your subordinates, you know, we better evaluate the accusers? Did you do any of that?

DONEY: I did in consultation with the review team.

MARIANI: What determination did you make, you, Mr. Doney, about credibility. Did you interview, for example, the accusers?

DONEY: I did not interview the accusers. I've said that about five times, now. And I--

MARIANI: Okay, did you--

DONEY: May I finish?

MARIANI: Oh, I thought you were, go ahead.

DONEY: No, I wasn't. And I have indicated to you that I did assign a review team to look into this investigation, and I gave you the whole chronology of this matter, and the review team had reported to me. I discussed the review team's findings, and recommendations to me, and therefore I--it resulted in my memorandum to Mrs. Crozier, ultimate memorandum which is the April 15, 1996 memorandum, Conclusion of Administrative Investigation of Marie A. Crozier, Director of Finance.

MARIANI: But see, sir, the problem we're having with this report that's the crucial piece of evidence in this proceeding is that there are no names in it--

DONEY: I don't have a problem with the report.

MARIANI: Excuse me, on page three, on page three we're talking about a hostile work environment, and we have berating subordinates in front of other subordinates, but we don't have any names there, okay? So three people came in yesterday, and I'm asking whether you have any information that you know of that establishes that, besides those three people who your counsel put on the stand, whether there are any others. You know, we're trying to find out the totality of the circumstances because you used the phrase "totality of the information" on direct examination. All I'm trying to do is find out the totality of the information relating to the Finance Department. So, do you have any others besides the three who were witnesses yesterday?

DONEY: I, myself, no. But I have relied upon the review team who has conducted many investigations and many interviews, and I have that authority.

MARIANI: Sir, that's in the record, respectfully, you don't need to keep repeating that. We all understand. We all understand.

DONEY: But I keep answering the same question over and over and over again.

MARIANI: No. No. You're adding that on to my questions. You can just answer what you did. Now you said that--do you know that Marie Crozier no longer does business with the banks that the Town does business with?

DONEY: I know that from information from the review team to me.

MARIANI: So in your report is there any concern--you refer to banks which the Town conducts business with--does that in any way modify your position or your uh, recommendation--now that you know Marie doesn't do business with those banks?

DONEY: No, it was based upon incidents and actual reported conduct as of the time of the report being completed, and also, if I could finish please, that also on March 5th when I met with Mrs. Crozier with Mr. Randolph and advised Mrs. Crozier in my office that she was on administrative leave with pay, Mrs. Crozier had the ability to come forward and address issues that she has never, to this day, come forward and addressed issues, and I think that's very unusual in my opinion, because I believe she also has a very important role in this whole process of honesty in the whole process.

MARIANI: Do you think your statement is responsive to my question?

DONEY: Yes, I do.

MARIANI: Are you looking for an apology--because we'll put an apology on the record right now. Will you withdraw the report? Is that what you're looking for?

DONEY: What question--repeat--

RANDOLPH: I'm sorry. That's totally irrelevant.

MARIANI: On all the paragraphs on page 3 under hostile work environment--pattern of personal banking transactions--the December 29th incident. You learned all these from Mary Dinehart, did you not?

DONEY: No. I learned these from the review team.

MARIANI: Okay. Do you know who they heard these from?

DONEY: I have to rely upon the review team's detailed information and knowledge of their investigation.

MARIANI: Can you remember any name other than Dinehart that supported these allegations?

DONEY: Dinehart. Kelly. Gorman.

MARIANI: Kelly didn't testify about the coffee fund.

DONEY: You've enumerated about four different items.

MARIANI: One, two, three. Yes, I'm asking. Personal banking transactions--did anybody other than Dinehart, you know, give you information that made you focus on personal banking transactions in your Finance Department?

DONEY: They did not give me information directly. They gave information to the review team that they investigated.

MARIANI: Who? If you say they I want to know who, other than Dinehart.

DONEY: They, and my recollection is that it was Mrs. Gorman and Mrs. Kelly and Mrs. Martinuzzi, and there may have been others, I don't know.

MARIANI: Now, did they give you any documents?

DONEY: I have no documents, no, on that.

MARIANI: Okay. Did they give anybody who's on the team documents?

PHETERSON: Who--let me object. Who do you mean by they? Do you mean the employees or the review team?

MARIANI: Did any employees give any people on the review team documents relating to personal banking transactions?

DONEY: I believe you'll have to ask the review team.

MARIANI: You don't know. Is that your answer?

DONEY: I believe you'll have to ask the review team, that's my answer.

MARIANI: Do you know--the question is, do you know whether any employees--

DONEY: I do not know. I do not know. You will have to ask the review team.

MARIANI: Now how do you know Marie attended a lingerie show with male subordinates?

DONEY: It was reported to me by the review team, based upon their investigation.

MARIANI: And you say that's not becoming of an officer of Palm Beach?

DONEY: Correct.

MARIANI: Do you know the circumstances surrounding that incident?

DONEY: I know them only as they were reported to me.

MARIANI: Well, please tell us. What was reported to you?

DONEY: They're set forth in my initial allegation of April 4th.

MARIANI: So there's no facts set forth, sir. There's just a statement that--you attended a lingerie show. Did you look at any of the surrounding circumstances to decide whether or not this was really an activity that was not becoming of an officer of Palm Beach?

DONEY: I believe it was not.

MARIANI: No. No. Please listen to my question. Did you review any of the circumstances surrounding the incident before you put in your report that you think Marie Crozier should be dismissed as the Finance Director because she attended a lingerie show with male employees?

DONEY: That was one of many issues that are in this report.

MARIANI: Please answer my question, sir.

DONEY: That is my answer, sir.

MARIANI: No. My question is did you review any of the circumstances surrounding that incident?

DONEY: Yes, I discussed them with the review team.

MARIANI: What did you discuss? What were the circumstances that you discussed? I want facts.

DONEY: I do not have the particular details at hand. You would need to speak with the review team who conducted the detailed interviews with the individuals of the Finance Department.

MARIANI: Mr. Doney, have you ever recommended to this Council to remove a department head, other than Marie Crozier?

DONEY: I have not.

MARIANI: Okay. And you're sitting here today telling us very conveniently you don't remember any of the facts. You just remember the conclusions in your report.

DONEY: This is not out of convenience, sir. It is out of a matter of delegation. I had interviews conducted that were properly conducted by the review team; Mr. Elwell and Mr. Crouse, together with my consultation with Mr. Randolph. That investigation--those interviews--caused findings to be made that allowed me to arrive at the decisions I've made and the recommendations that I've made to the Town Council that I believe warrant--based upon violations that were identified in the April 15th memorandum that Mrs. Crozier no longer serve as Finance Director.

MARIANI: Did you not care enough about this 22 year employee, who was a department head of the

Finance Department, to inquire--what's wrong with that? You're the Town Manager. What's wrong with that, okay? But I want to know the facts. Did you ask about the circumstances? Did you review circumstances, and would you please let us know what they were?

DONEY: Mrs. Crozier responded to that in her memorandum of April 7, 1996.

MARIANI: Before we get to her response. Did you ask anybody on the team to explain to you what happened at the lingerie show?

DONEY: Yes.

MARIANI: And what did they tell you?

DONEY: What I need to do is to refer to the particular incidents in the April 4th memorandum. Maybe you have total recall. I do not.

MARIANI: Sir, this is not even a month ago. It's the only time in your tenure as the town Manager that you had asked for the dismissal of a manager or a department head.

PHETERSON: Mr. Mariani. That's not a question. I request that if you want to ask a question if he wants to refer to his memorandum to refresh his memory he should have the opportunity to do so without essentially begin--

MARIANI: There's no question of that, and I want him to refer to it, but he's--

PHETERSON: He's digging through his papers attempting to find it at this point. I believe you're question is clear in everyone's mind. Let's give him an opportunity to find it.

MARIANI: Take as much time as you need, Mr Doney. I don't mean to rush you.

DONEY: If you'll refer to page 11.

MARIANI: Of what, sir?

DONEY: Of the April 4, 1996 report regarding the administrative investigation of Marie A. Crozier, Finance Director.

MARIANI: Is that an exhibit?

DONEY: That's an attachment to my memorandum dated April 4, to Mrs. Crozier.

PHETERSON: Town Exhibit 8.

DONEY: And if you'll please look at page 11, Section 6-6.7. The employee has been offensive in his/her conduct or language in public or towards the public, town officials, or employees, either on or off duty, and then that's where the allegation is set forth. It is alleged that on at least one occasion Mrs. Crozier attended a lingerie show with subordinates and participated in a discussion of this activity with other subordinates upon her return to the Finance Department. And if you will turn now to my memorandum dated April 15, 1996, I did confirm that you attended--this is to Mrs. Crozier--you attended a lingerie show with male subordinates and participated in a discussion of this activity with other subordinates upon your return to the Finance Department.

MARIANI: So there wasn't more than one lingerie show, was there?

DONEY: I know from discussions with the review team there was more than one. I can't tell you how many.

MARIANI: Well, sir, I would respectfully submit that with all the talent that's supporting you there's a significant distinction between your April 5th memo and your April 15 memo, and it very clearly shows that in the April 4 memo it says on at least one occasion, but in the April 15 memo it doesn't use that same terminology. It just says you attended a lingerie show.

DONEY: Correct.

RANDOLPH: Excuse me, if Mr. Mariani wants to testify.

SMITH: Mr. Randolph, to the microphone, please.

RANDOLPH: If Mr. Mariani wants to testify, perhaps he should take the witness stand. If he wants to ask questions I have no objection, but I believe its objectionable for him to be giving testimony.

PHETERSON: Could you re-state the question sir?

MARIANI: I would ask counsel to focus on the distinction between direct and cross examination. Mr. Doney, all I'm trying to find out is whether you know any of the circumstances surrounding Marie Crozier's attendance at a, singular, lingerie show. That's all I'm trying to find out.

DONEY: From what I learned from the review team, and also Mrs. Crozier's response of April 7, 1996.

MARIANI: Okay, before you get to the response, I'm saying this allegation--you were ready to dismiss her, or recommend dismissal as of April 4th. I'm asking you on April 4th did you have any knowledge of the circumstances, or was it the mere fact that under every set of circumstances that you can think of that attendance at a lingerie show would make any person unfit to be the head of one of your departments in the Town? Is that--

DONEY: That's not what I stated.

MARIANI: Okay. But you said on direct examination that her attendance at a lingerie show was not becoming of an officer of Palm Beach.

DONEY: Correct.

MARIANI: And that your's position? That no director should go to a lingerie show. Is that what you're saying?

DONEY: In the instance that's here I believe that was inappropriate.

MARIANI: Well, that's what I'm trying to get to. What was it about this incident in your mind that was inappropriate? What are the circumstances?

RANDOLPH: I object to Mr. Mariani continuing to raise his voice at this witness. I think it's equivalent to badgering the witness, and it's not conducive to this type of an atmosphere, and I would request that he simply ask the question in a normal tone of voice.

McDONALD: Mr. Mariani, would you stop badgering the Town Manager? Use a more even tone of voice please.

MARIANI: I don't believe.

McDONALD: Use a more even tone of voice please.

MARIANI: I will work on that Mr. McDonald, and quite frankly, with all due respect to myself I don't believe I could badger the Town Manager. Sir, could you answer my question--which is, what is it about this situation--you said in this instance it was inappropriate. What was inappropriate about this instance?

DONEY: Marie Crozier as Finance Director has the ability and has the decision making authority-- individual thought process to have said no she would not attend that lingerie show. She elected not to do it, and I thought that was poor decision.

MARIANI: Did you read her response to this allegation?

DONEY: Yes, I did.

MARIANI: Did you understand that those employees said they were going to take her out to lunch on her birthday, and that she was surprised to end up at the lingerie show?

DONEY: And also I recall yesterday there was that issue separately that was spoken to about the lingerie show, but--

MARIANI: Let's talk about her response. Didn't you believe it?

SMITH: Mr. Mariani. We all heard the circumstances of the lingerie show. Is the point that you're making--

MARIANI: Sir--excuse me, Madam President--

SMITH: That's all right. Don't worry, Mr. Mariani. I will not take offense and consider that a sexist remark. Thank you very much.

MARIANI: I appreciate that. I appreciate that.

SMITH: You can laugh, but don't raise your voice at me either. I mean, we really and truly did hear about that and did hear about the lingerie coming back, and we heard about that, so, is there--

MARIANI: But isn't this about the Town Manager's decision, and I'm trying to understand--

SMITH: I understand, but I understand he said he felt it was inappropriate behavior, and he has said that a couple of times, and that was his thought. Next thing you know we're going to be describing the lingerie, and I don't want to get into this anymore.

MARIANI: Precisely my point, Mrs. Smith, is that he will not be able to describe those circumstances. That's what I'm trying to find out is what his deliberative process was.

SMITH: Well, maybe you could move on to another point.

MARIANI: I will. Let me move on.

SMITH: Please. Thank you.

MARIANI: Mr. Doney, do you recognize this blow-up of the cover of the Palm Beach Daily News?

DONEY: Yes, I do.

MARIANI: Okay. Could you describe to the Council who's in that picture?

DONEY: That is me.

MARIANI: And, who are you with in that picture?

DONEY: That's a model for the Saks Fifth Avenue benefit that--a portion of the funds went to the

Town of Palm Beach.

MARIANI: And this is in December of '95?

DONEY: I don't remember the exact date--whatever the date of the newspaper is.

MARIANI: Well, let me ask you to look at the date on the top there.

RANDOLPH: Let me object to the relevancy and materiality of this line of questioning--unless he wants to put photographs of members of the Town Council up also. They were involved in that.

MARIANI: No, I want to find out from Mr. Doney why Marie's attendance at a lingerie show is unbecoming of a Town officer in comparison to this activity by the Town Manager. I think that's a very fair line of questioning.

SMITH: Mr. Randolph, please.

RANDOLPH: And I think he can ask the question about why he thinks its's inappropriate. I don't think it's appropriate for him to ask it in comparison to Mr. Doney's conduct. Mr. Doney is not on trial here today. He hasn't recommended his own dismissal, and I don't think it's relevant to get into this.

MARIANI: If we don't have points of comparison we have nothing. I don't know how we can make decisions without points of comparison.

PHETERSON: Mr. Randolph, this is cross examination. I think this would be considered reasonable fodder for cross examination.

MARIANI: Sir, does reviewing this--

SMITH: The microphone, Mr. Mariani. Use the portable mic if you're stuck.

MARIANI: Does reviewing this refresh your recollection as to when this picture was taken?

DONEY: I recall that. It's dated December 19, 1995.

MARIANI: And it was barely two months or so before your investigation of Marie Crozier commenced, is it not?

DONEY: Approximately.

MARIANI: Please explain to me how you having your hands on this woman's thigh is not unbecoming to the Town officer, but Marie Crozier being taken or tricked into going to a lingerie show by two subordinates on her birthday is unbecoming of a Town officer?

DONEY: In my opinion, and that event, which was specifically for the Town of Palm Beach, and at which time the Mayor, the Town Council, the Town Manager were invited to participate to--with the explicit purpose of raising funds for the Town of Palm Beach--this was part of the fashion show with models that they had for that specific purpose. It's totally different, in my opinion, than the issue with the lingerie show that is recited and identified in my report, in my opinion.

MARIANI: What were you accomplishing by putting your hands on her thigh?

McDONALD: He gave his opinion, Mr. Mariani, and I--

DONEY: I gave my opinion because it was incidental to what was occurring for the fashion show. It was on a Sunday afternoon. I can even remember the day because it was for funds for the Town of Palm Beach, and we received approximately $3,800.

MARIANI: Who told you that Marie Crozier made an obscene gesture in the outer office of the Finance Department?

DONEY: The review team.

MARIANI: Did you ask them what the gesture was?

DONEY: I don't recall specifically what the gesture was, but it was--

MARIANI: No, my question is--did you ask them what the alleged gesture was?

DONEY: No.

MARIANI: Did you ask them to identify--excuse me, the several Finance Department employees who apparently saw the alleged obscene gesture?

DONEY: They did, but I don't recall the names.

MARIANI: Is there, -- you make an allegation that Marie improperly used a Town computer for personal projects. What did she do? What projects did she use a Town computer for?

DONEY: It was reported to me by Mr. Elwell and Mr. Crouse that she had done non-Town business using the Town equipment--the Town computer.

MARIANI: Was it more than one time?

DONEY: There were a number of incidents. I don't have the specific number at hand.

MARIANI: Well, how many--what's your recollection, how many?

DONEY: I don't have a specific number.

MARIANI: You don't have a recollection about the number or the type of work that was done on the computer.

DONEY: It was non-Town business, personal business.

MARIANI: Do you have any understanding of the circumstances?

DONEY: From the report to me from the review team it was using Town computer for personal projects--not for Town business.

MARIANI: Do you have a written report from your so-called review team which sets out all the detail, and perhaps might answer the questions that I'm asking today? For example, does your report from the review team identify any specificity to Marie Crozier's utilization of Town computer for personal projects?

DONEY: This report regarding the administrative investigation of Marie A. Crozier, Finance Director, dated April 4, 1996 was prepared by me with the input directly and reviewed by in my consultation with Mr. Elwell, Mr. Crouse, and Mr. Randolph.

MARIANI: Does it have any specificity in it with names, and numbers of times or circumstances surrounding the lingerie show?

DONEY: Only as set forth in this report.

MARIANI: Could I see the report please?

DONEY: Sure.

PHETERSON: Town Exhibit 8.

MARIANI: Is that what you're referring to Town Exhibit 8?

DONEY: Town Exhibit 8-April 4th memorandum.

MARIANI: No. I'm asking for something with detail in it.

DONEY: The April 4th report regarding the administrative investigation of Marie A. Crozier, Finance Director.

MARIANI: No, but that's from you.

DONEY: That's correct, but it was prepared with the direct input and reviewed by the review team, including Mr. Randolph, for accuracy based upon what I had asked them to conduct by way of an investigation.

MARIANI: Fine. Is there any evidence, any written evidence, any compilation of notes--anything that supports your conclusions in the April 4th memorandum. That's what I'm looking for. I'm looking for detail.

DONEY: That you would have to ask the review team--Mr. Elwell.

MARIANI: I'm asking you. Were you given anything with detail in it from your review team?

DONEY: Not anything additional, no.

MARIANI: Additional to what--this memo?

DONEY: Not anything additional than what was embodied in this report, upon this report being produced.

MARIANI: I'm looking for the body. That's what I'm looking for--the body that is this report. Where are the documents, where are--

DONEY: You'll need to ask Mr. Elwell and Mr. Crouse.

MARIANI: You don't know?

DONEY: I don't have them, no.

MARIANI: Okay. When they came back to you--your so called review team--did you believe that Marie Crozier had created a hostile work environment?

DONEY: From the report from--

MARIANI: Let me withdraw that question.

DONEY: Yes, I did.

MARIANI: What was your--I withdrew the question sir. What was the first--your first reaction when your review team allegedly told you that somebody concluded that Marie Crozier created a hostile work environment. What was your initial reaction?

RANDOLPH: Excuse me.

SMITH: To the microphone, Mr. Randolph.

RANDOLPH: I'd like to object to the relevancy of his initial reaction. We are here in regard to his final report, and I don't think his initial reaction is relevant.

PHETERSON: Well let me also note that we just--and I'm sure your question does not include discussions that would be between Mr. Randolph and the manager. In other words you're not attempting to get into. You stated that previously --you know it, you're aware the witness may not be aware of that.

MARIANI: My question does not go to attorney/client privilege. What I'm trying to address is this gentleman purportedly belabored over this decision.

PHETERSON: I'm--you don't need to explain to me, sir--just so that the witness is aware you're not asking him in any way to get into any discussions he may have had with Mr. Randolph or Mr. Randolph may have had with him. Could you repeat the question?

MARIANI: I'd like to know what your initial reaction was when your review team came to you and made a statement, I guess, that Marie had created a hostile work environment.

DONEY: I was very concerned.

MARIANI: Okay. Did you review any of factual information at that time?

DONEY: Statements which they made to me, and discussed with me.

MARIANI: Did you inquire into the facts? Did you try to find out the underlying facts that brought them to that conclusion?

DONEY: Yes.

MARIANI: And what facts did you reveal?

DONEY: I was comfortable that their investigation was proper and thorough and that there was this allegation of hostile work environment--that it did exist.

MARIANI: Can you remember any of the facts? Before you signed this memo dated April 4, can you remember any fact that you identified, inquired about, were concerned about, before you decided to recommend the release of Marie Crozier as the Finance Director?

DONEY: In that April 4 memorandum I did not recommend. I had asked Marie for her responses to her allegations.

MARIANI: Did you review any of the facts before--

DONEY: Yes, I discussed them with the review team and Mr. Randolph.

MARIANI: Do you remember any of those facts?

DONEY: Yes, they were based upon the review team's investigations with Mrs. Dinehart, Mrs. Martinuzzi, Mrs.--uh, I believe it was Mrs. Kelly, although I can't be sure. I think you need to confer with the review team as I've suggested many times.

MARIANI: Ya. I'm just asking you if you remember any of the facts. I'm really not trying to make this difficult. Either you do remember, or you don't remember.

DONEY: I don't have the specifics in mind, but I do know I believe the credibility of the review team's investigations and my conversations and discussions with Mr. Randolph and the review team.

MARIANI: You testified that you take your job very seriously on direct examination, do you remember that?

DONEY: I do.

MARIANI: Do you think Marie Crozier takes her job very seriously?

DONEY: I do believe that she did, and, and uh, when these allegations came up they had to be evaluated on their own merit.

MARIANI: Do you think she takes it any less seriously than you do?

DONEY: I don't know.

MARIANI: You said you were shocked with her dishonesty. Please relate to me any fact that shocked you--not a conclusion, a fact. What fact helped you come to the conclusion that you were shocked by her dishonesty?

DONEY: Her denial of the hostile work environment.

MARIANI: So you believed there was a hostile work environment?

DONEY: I believe that.

MARIANI: You believe that based on your--

DONEY: Review team, and as further evidenced in further detail by the direct testimony that was offered yesterday.

MARIANI: Well, forget yesterday, because that didn't happen until after you made your recommendation.

DONEY: But these were individuals who were interviewed by the review team and Mr. Randolph.

MARIANI: But you don't now, do you, that everybody was interviewed in that department?

DONEY: That's what I suggested you need to talk to Mr. Elwell and Mr. Crouse. I believe most were, maybe all, I'm not sure.

MARIANI: Now, have you ever had to reprimand Marie Crozier previously?

DONEY: I don't believe there was a written reprimand, no.

MARIANI: There's nothing in the files, is there?

DONEY: I don't believe so.

MARIANI: Okay. You never had to suspend her previously, did you?

DONEY: No.

MARIANI: Now, is it your recommendation to the Council that she be removed as Town Manager--or excuse me, as Finance Director? Are you making an additional recommendation that she should be removed as a Town employee?

DONEY: Removed from the position of Finance Director, which would be also removal as a Town employee, yes.

MARIANI: So you're making two recommendations, not--

DONEY: One recommendation. Just the removal as Finance Director would be removal as a Town employee.

MARIANI: But in other circumstances hasn't it happened, for example, where people had been put on suspension, or put at a different level, for example, that sort of thing.

DONEY: Each issue's on its own merit.

MARIANI: I understand, but I'm just trying to make sure I understand what you're recommending to the Town.

DONEY: Correct.

MARIANI: In your mind your recommending that she be removed as Town Finance Director. In your mind that means she should be removed as an employee.

DONEY: That's correct.

MARIANI: Okay. Do you know whether Mr. Crouse ever called Barbara Martinuzzi's previous employer?

DONEY: I do not know.

MARIANI: Okay. So this document that your counsel introduced--this Town document #10--this is just something from the file--you don't know anything about the circumstances surrounding her employment--her previous employment?

DONEY: Only from what's in this document.

MARIANI: Well, you never even saw this before yesterday, I would assume, isn't that correct?

DONEY: I saw this yesterday, that's correct.

MARIANI: And you don't know that Mr. Crouse called after Barbara Martinuzzi had been working for a while for the Town to do follow up on her prior employment history? You don't know that, do you?

DONEY: I don't know that. I don't recall that.

MARIANI: Sir, who's Linda Grimail?

DONEY: She was uh, Linda Grimail was the executive secretary in the Town Manager's office.

MARIANI: She worked for you didn't she?

DONEY: That's correct. She initially was hired by the former Town Manager.

MARIANI: Do you recall that she was treated for extreme anxiety? That she was hysterically crying and she indicated to treating paramedics, that "Mr. Doney was driving her crazy"?

DONEY: I don't recall that.

MARIANI: Okay. Do you know that that's in the medical report in the files of the Town?

DONEY: I don't have knowledge of that.

RANDOLPH: Object to relevancy and materiality.

McDONALD: Ya, what's the relevance here?

MARIANI: The relevance is--again it relates to hostile work environment. We had three people come here yesterday; two of whom cried hysterically, in my opinion.--I'm just trying to tie that together--

McDONALD: Well, Mr. Doney's not on trial though, so why are you trying to tie him in to what the witnesses yesterday said about Mrs. Crozier.

MARIANI: I'm simply trying to show, sir, that in a group of 310 employees you're going to have a few who may be a little different, may cry hysterically under certain circumstances--may cry at the drop of a hat, and we just want to be able to show to this Council that that type of testimony should not be exaggerated in your deliberations.

I have no further questions, thank you.

SMITH: Mr. Randolph?

RANDOLPH: Just a few questions, if I might. Mr. Doney, did you receive verbal reports from Mr. Elwell and Mr. Crouse in regard to--to substantiate the report which you presented to this Town Council?

DONEY: I did.

RANDOLPH: And was the information that you received from Mr. Elwell and Mr. Crouse consistent with the information which came before this Council in testimony of witnesses yesterday?

DONEY: It was.

RANDOLPH: Now, on cross examination, you were asked by Mrs. Crozier's counsel to read in a memo of February 28th from Mrs. Dinehart. That memo did not go into evidence on my case, but you were asked to read that entire memo in response to a question asked by Mr. Mariani. Let me ask you a question about that. In regard to that section of her letter which related to personal banking transactions at the end, did you ultimately receive a report from Major Reiter that indeed there was suspicious activity relating to the personal banking transactions of Mrs. Crozier?

DONEY: I did when the Police Department released the report.

RANDOLPH: Thank you. And did you rely upon that information partially in making your determination to discharge Mrs. Crozier?

DONEY: Yes.

RANDOLPH: Mr. Mariani attempted to confine Mrs. Dinehart's report to four particular items of concern, but I'm going to reference you to that February 28th letter and suggest to you some other language within and ask if that language in that report caused you concern which made you launch the investigation. I refer you to that portion of the letter which says that there has been a chronology of events that occurred over the past year that have affected my job and professional integrity and despite my effort to resolve the situation and continue with no apparent solution in sight--did that cause you a concern which made you want to go forward with this investigation?

DONEY: It did give me a concern, yes.

RANDOLPH: Did it cause you a concern in that letter when you saw a statement that said I did not confront Mrs. Crozier because I feared that I might be fired--did that cause you a concern which made you go forward with your investigation?

DONEY: It did give me concern, yes.

RANDOLPH: And on the next page, did it cause you concern that it was alleged that Mrs. Dinehart was told--Mrs. Crozier told Mrs. Dinehart that under no circumstances was she to contact the IRS in regard to this 99 exemption matter--did that cause you a concern which caused you to go forward with this investigation?

DONEY: I was very concerned about that and felt it needed to be investigated.

RANDOLPH: Did it concern you when Mrs. Dinehart reported in that letter that she was placed in an uncomfortable position torn between job integrity and fear of reprisals from Mrs. Crozier--did that cause you a concern which made you want to go forward with this investigation?

DONEY: Yes.

RANDOLPH: And did it cause you a concern in the next paragraph when Mrs. Dinehart expressed a concern over retaliation relating to her probe in regard to the IRS matter--did that cause you a concern that made you go forward with the investigation?

DONEY: Yes.

RANDOLPH: And, in fact, wasn't this just the beginning of the investigation--didn't you learn things subsequent to that which caused you further concerns by way of the information you received from Mr. Elwell and Mr. Crouse?

DONEY: Yes.

RANDOLPH: And was the information that you received from Mr. Elwell and Mr. Crouse consistent with the information that was presented to this Council yesterday from live witnesses?

DONEY: Yes.

RANDOLPH: And was it a concern--as I understand from your testimony, the issue of the borrowing money from a subordinate wasn't a concern from the standpoint that it was voluntarily loaned, but that your concern was the position that that would place the subordinate and the director in vis-a-vis their professional relationship, isn't that correct?

DONEY: That is correct.

RANDOLPH: And, when you indicated that you've never dealt with a hostile work environment in other departments and you were advised about the Mr. Dusey letter, isn't it true that with Mr. Dusey you did in fact file a--give him a letter in regard to his behavior in regard to the manner in which he dealt with an employee?

DONEY: I did.

RANDOLPH: And didn't you in fact in that particular instance make a determination that that specific instance did not create a hostile work environment?

DONEY: I'd have to see the memorandum again. I do believe that I said that, but I can't recall specifically wording in a memorandum of five years ago.

RANDOLPH: All right. And, one final question. A question was asked on cross examination whether or not you realized that Mrs. Crozier was no longer conducting banking activities with the banks with which the Town conducts those activities. Are you aware that she was in fact conducting those activities at the time of your investigation?

DONEY: Yes, I was.

RANDOLPH: And are you aware of the reason today that Mrs. Crozier no longer conducts activities with those banks?

DONEY: I don't know the details of that.

RANDOLPH: All right. Thank you. I have no further questions.

SMITH: Thank you Mr. Randolph.

Would you like to continue Mr. Randolph, or are we going to break for lunch? What would--

RANDOLPH: This might be a good opportunity for a break perhaps.

SMITH: All right, then we'll come back at--

RANDOLPH: However, I have concluded with this witness.

MARIANI: Could we identify also--do you have other witnesses?

PHETERSON: For scheduling purposes, just so we know in terms of Mr. Curtain's witnesses.

SMITH: Well, we'll be coming back at 1:45.

RANDOLPH: All right. I'll discuss that with Mr. Curtain during a break.

SMITH: All right.

RANDOLPH: If that's what you--unless you wish to hear from me now.

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SMITH: Mr. Randolph, I apologize for being late.

RANDOLPH: No apologies necessary. The Town rests.

SMITH: The Town rests. Thank you very much.

PHETERSON: Prior to the beginning of Ms. Crozier's case let me just state for the record, as a result of discussion between counsel as to the exhibits that are currently before the Council, the procedure that we've agreed will occur in this case is that once documents are identified and provided to the Council members with an exhibit number they're considered to be part of the record in this case. That's correct Mr.--Is that accurately stated, Mr. Mariani?

CURTAIN: Well, it does with respect to those already in--with respect to those to come in it was my view that documents that may be part of the Town--official Town files, if they're referred to specifically and if they're identified and a request is that they be made part of the record or part of the exhibits, that those would be accepted as well.

PHETERSON: So long as we have copies for counsels.

RANDOLPH: Ya, I obviously would like to see anything that's given to the Mayor and Town Council that they're going to rely upon, and I understand if I have an objection to any evidence that that would be considered.

PHETERSON: Right. At this point, just so the record's clear, I have Town Exhibits 1-10, and Employee Exhibit 1 marked as--considered to be in the record at this point.

SMITH: What is Employee Exhibit 1?

PHETERSON: I think it was the letter from Mr. Curtain that was never sent, but has been put into the record. Your Exhibit 1 was a letter--

CURTAIN: April 22nd letter that I think I mentioned to you at the outset that was delivered--that's correct. That's Exhibit 1.

PHETERSON: Okay, there it is with the Clerk.

SMITH: Right, but the Council doesn't have it.

CURTAIN: I provided it to the Clerk yesterday with my statements. My statements were that I referenced the letter when we were here on the 22nd, but I did not deliver it to Mr. Randolph at that time. I delivered the contents. I withheld the name of an individual that was in that letter, and I then referenced it in my introduction yesterday, and I did deliver the letter at that time.

PHETERSON: Okay, and this is the original letter that was not--it was never mailed on April 22nd, 1996.

CURTAIN: Correct.

PHETERSON: Okay.

RANDOLPH: So I have not seen that letter?

PHETERSON: Well let me first show it to Mr. Randolph--

SMITH: Well, let's clarify the situation. Let Mr. Randolph see the letter since it was sent to him, and then we'll make copies for the Council if it's part of the record. Is that--that was obviously your intention, Mr. Curtain? That it be part of the record.

RANDOLPH: This is to Town Council members and I have not seen this.

SMITH: Well, if it's to Town Council members, the Town Council has not received it.

PHETERSON: Right. He stated he never mailed it.

SMITH: I think I'm missing something here. Well, if you didn't mail it you didn't deliver it to the Town Council either?

CURTAIN: No. I referenced the letter when I was before you on the 22nd. I said I had a letter on the 22nd that spelled out the issues of suppression that we had found, and also the request for an independent investigation. I then referenced the letter in my presentation to you on the

22nd, but said that I was going to withhold the letter because the letter contained the name of a particular individual, and at that point, because I was encouraging an independent investigation I did not want to disclose in the public forum for press distribution the name of the individual until there was an opportunity to investigate it. So, out of an abundance of caution the letter was referenced. I delivered all of the other contents of the letter--actually read from the letter--portions of the letter while I was here, but I did not disclose that individual, and then yesterday when I requested the continuance based on that I referenced my letter once again, and I did give it to the Town Clerk. I apologize Mrs. Smith, I did not--

SMITH: That's all right, Mr. Curtain, we have the letter now. All right. We will have the letter--there are copies for the Council.

MARIANI: Marie Crozier calls Kathy Wall please.

POLLITT: (Swears in witness).

MARIANI: Mrs. Wall, would you please state your name for the record?

WALL: Kathleen Wall.

MARIANI: How are you employed?

WALL: In the Finance Department as a Clerk Secretary II.

MARIANI: In the Town of Palm Beach?

WALL: The Town of Palm Beach.

MARIANI: How long have you been employed in the Finance Department?

WALL: Seven years.

MARIANI: Since 1989?

WALL: Yes sir.

MARIANI: When you first came to work at the Finance Department what was your level?

WALL: Entry level Clerk I position.

MARIANI: Okay, and now you're a Clerk II?

MARIANI: When did you get promoted to Clerk II?

WALL: A year ago.

MARIANI: Was it around March of '95?

WALL: Yes it is because my evaluation is due the end of the month.

MARIANI: Who is your--who is the head of the department you work in?

WALL: Marie Crozier is the Finance Director.

MARIANI: So you work for Marie?

WALL: Yes.

MARIANI: And what are your duties and responsibilities in the Finance Department?

WALL: Accounting responsibilities, payroll, balancing the monthly books for payroll, and a variety of revenue and receipts and things like that. Donations.

MARIANI: Prior to those responsibilities was there ever a time when you were the person within the Finance Department that made the--ran the errands to the banks, what I call the runner from the Finance Department to the bank?

WALL: Yes, when I started with the Town and I was a Clerk I one of my responsibilities was to bring the daily deposits to the bank. We went to First Union every day and we went to Great Western on payroll days.

MARIANI: Are you still familiar with procedures within the office about the frequency of the bank runs?

WALL: Yes sir.

MARIANI: And what is the situation today?

WALL: It's still the same. We make daily deposits at First Union Bank and Great Western Bank. First Union, you know, regularly, and Great Western on payroll days.

MARIANI: Okay, with respect to First Union at least, it's every day, is it not?

WALL: Every day in the morning usually around 10:30-11:00 in the morning.

MARIANI: What is your opinion of Marie Crozier as a department head?

WALL: I think she's honest, dedicated employee. I have a lot of respect for Marie. I think she's--deals with our department and the different personalities in our department like a true professional.

MARIANI: There's been allegations made against Marie that she has created a hostile work environment in the Finance Department. Do you have an opinion about that allegation?

WALL: Yes I do. I don't --I have never seen Marie berate, belittle anyone in the Finance Department. She's always been honest. She has an open door policy. One of her famous sayings has been I'll make the time if you have a problem--come in I will make the time. She's always been fair. I've seen her get angry. I've never seen her--she gets over it and it's forgotten. She doesn't belittle anyone. I have a lot of respect and admiration for Marie.

MARIANI: When you got your promotion to Clerk level II, was there anybody else in the department seeking that promotion at the same time?

WALL: Well, the position was an open position and there was someone else in the department, yes, that was interested in the position. Yes.

MARIANI: Who was that person?

WALL: Mary Dinehart was interested in the position.

MARIANI: Were you aware that Mary Dinehart made an allegation that somebody promised her that position?

WALL: Yes. Mary told--actually, Mary fabricated a story saying that I told her that the only reason I received my promotion was because Marie wanted to piss her off, and I received my promotion not from Marie. I received my promotion from my immediate supervisor, Lisa

Gorman, and the Town accountant, Debbie Kelly, who recommended me for the position to Marie. Marie left that responsibility to them, because they are the ones that are in the office and see the working aspect of the office.

MARIANI: Do you have an opinion as to whether Ms. Dinehart took any sort of retaliatory action against Ms. Crozier when she did not get that promotion?

WALL: Mary was very upset that she didn't get the promotion. She told me face to face that I did not deserve the promotion. She initiated a working environment that started to be very stressful from everyone in the office, and I believe that that's when a division in the office began, and that would have been about a year and a half ago.

MARIANI: Did Ms. Dinehart file any grievances, or make any complaints about Ms. Crozier?

WALL: Yes she did. She went to the Personnel Department and filed a grievance and we were all called up to the Personnel Department and everyone was asked--I believe Marie when this all started going on asked the Personnel Department to initiate and talk to all the employees in the department and find out how everyone felt about Marie, the department, what was happening in the department because we were a team that got--you know, a clear, like I said, a clear division, and Personnel Department, Bill Crouse, interviewed each one of us and everyone opened up and said what they felt in their minds and their hearts what was going on.

MARIANI: In your view, who created the division in the department?

WALL: Mary Dinehart.

MARIANI: Do you work with Mary Dinehart currently?

WALL: Yes I do.

MARIANI: Do you have an opinion as to her trustworthiness?

WALL: I don't trust her. She's already sneaky. She's fabricated stories. I've taken everything out of my desk. I've brought it home. I don't--I feel very uncomfortable working right across from her, and I don't trust her and I don't think I ever can trust her.

MARIANI: What stories has she fabricated?

WALL: The story I just said about me telling everyone about my promotion--the only reason I got it was because she told--she said that I was the one who said that--the only reason I received my promotion was because Marie wanted to piss her off. She said that Donna Bragel--the only reason Donna got her job was because she was doing personal favors for Marie at the bank, because Donna used to work for Great Western. Just ridiculous things--just to have an end to her goal. She has a problem with Marie and she's going to do whatever she can, in my opinion, to do damage to Marie.

MARIANI: Were you aware of any times when Marie had to reprimand Ms. Dinehart?

WALL: Yes I am.

MARIANI: Could you describe those to Council please?

WALL: Mary and, um, Mary and Leslie Shields did a lot of inappropriate behaviors and pranks in Town and Marie had to address them on several occasions. She would address them in her office, um, I've never heard her address them in an outer office or um, anywhere else inTown Hall, but they were inappropriate behaviors that she verbally spoke to them about on several times, but it just was something that constantly--it was the same behavior that was being repeated over and over again. It wasn't a different thing each time; it was always the same thing. She did it again and again and again with no respect for Marie, the Town, where the pranks were taking place, or how it was going to look on the department or for the Town.

MARIANI: What were these instances of inappropriate behavior?

WALL: We had an employee that worked in our department--a male employee who had only been employed with the Town for maybe two months in the Finance Department, and um, one of the pranks was taking a pair of pantyhose and strapping it across the front of his truck in the Town parking lot, placing a banana and two apples on the sides, having the male parking the vehicle, of course, where he couldn't see it when he went to his car, so when the gentleman went home, you know, there he is going home to his wife to explain to his wife how he got to know ten female employees in two months for them to do something as intimate as placing an object like that on his vehicle, and that's just one of the things--I mean, we could go on with other things, but it's just disrespectful and it was something that they were spoken about on many occasions.

MARIANI: Do you have an opinion as to Marie Crozier's honesty?

WALL: Marie is a very honest individual. I would trust her with anything that I have. It's never anything I've ever doubted about Marie. She's--that is just her make-up. She's honest and she's a loyal person. It's just the way she's built. She's got a lot of integrity.

MARIANI: In the seven years that you've worked in the department have you ever seen Marie Crozier berate anybody to the point of tears?

WALL: No, No. I've seen her get angry, but I've never seen her berate anyone to the point of tears. I've seen people come out of her office who were cry--you know, had been crying, but I've never seen her berate or intimate or humiliate anyone in front of anybody else.

MARIANI: Who have you seen cry in the Finance Department?

WALL: Debbie Kelly.

MARIANI: How long have you worked with Debbie Kelly?

WALL: For seven years.

MARIANI: Could you give us your opinion about Debbie Kelly?

WALL: Debbie Kelly was a very hard working Town employee, um, but Debbie's a very emotional person. She crys at the drop of a hat. She's just a very, you know, emotional, but she was a good employee.

MARIANI: Did you, uh, do you have any experience with the petty cash fund in the Finance Department?

WALL: When I was a Clerk I it was one of my responsibilities to balance the--you know, reimburse the petty cash and balance it.

MARIANI: And today do you--

WALL: Today I'm like back up--if I need to--if someone's on--if Mary's on vacation because she's the petty cash custodian and it needs to be reimbursed, I'll be the one that reimburses it.

MARIANI: With all your experience with the petty cash fund in the Finance Department, do you have any suspicion whatsoever, regardless of how small, that Marie Crozier ever attempted to manipulate the petty cash fund to her benefit?

WALL: No. No. I do not believe that. I absolutely do not believe that. She is an honest person, and she would never--she would not do that--no.

MARIANI: Is there a coffee and a birthday fund in the Finance Department?

WALL: We had a coffee and birthday fund, um, in the Finance Department--it was something that's--when I started working there was in existence and it was--the department has grown as I have been there, and it was some people who drank coffee had to put more into the coffee fund, maybe three dollars a pay period, I don't remember what it was--and the people who didn't put in a dollar. Um, it was something that Marie did. She did it out of the goodness of her heart. It wasn't a responsibility that she shifted off to other people. Um, the coffee fund--there was times in the coffee fund where monies--if you have three birthdays--let's say in August, like there was, we would give a person a $25 gift, whether, you know, someone would be, have to go out and buy the gift, but it would be for $25, that was the limit. So, if we had three birthdays in one month, like in August, that would be $75. Well, it's rare that $75 would be in the birthday/coffee fund for that amount of money, so Marie would have to put, you know, add money to it, and reimburse herself back out. I know what you're trying to say that people have insinuated that she's taken money from the coffee fund, but you're going to see it go up and you're going to see it go down. It's something Marie controlled. I have all the trust in the world for her, and I really don't think she ripped the coffee fund off for $10 or $15 or whatever it might be.

MARIANI: Do you have any suspicion regardless of how small, that Marie Crozier in any way manipulated that fund to her benefit?

WALL: No. No. I have no suspicions at all. She did it out of the goodness of her heart, not to make money out of it, out of a coffee fund.

MARIANI: Do you know who made the allegations to the Town that Marie Crozier took money from petty cash and from this birthday or coffee fund?

WALL: I believe I know who made the allegations, yes--I believe Mary made the allegations.

MARIANI: Do you have an opinion as to why she made the allegations?

WALL: I believe that Mary has a vendetta for Marie, and I really would like to--I'd like to know why. I don't why she does. She doesn't like her. She's been plotting and planning as far as I can tell from a year and a half ago when we went up to Personnel. From that point on is when all of this copying people's bank--her bank records and sneaking around. I mean, if her petty cash wasn't balanced, why didn't she say something? That's your responsibility as a petty cash custodian. She's--it's--she just is after Marie. It's like a fatal attraction for Mary, and the problem's not going away.

End of Tape 6

Tape 7 - Special Town Council Meeting of 5-3-96

MARIANI: Do you hope to stay employed by the Finance Department?

WALL: Yes, I do.

MARIANI: Okay. If it was up to you who would you select to be the Director of the Finance Department?

RANDOLPH: Objection. Relevancy and materiality. She doesn't make these decisions.

MARIANI: We all understand she doesn't make the decisions. It's a highly relevant question.

PHETERSON: I think she can answer, and the weight--it will be given it due weight by the Town Council.

MARIANI: Let me respond to the objection, then. The allegation's been made of hostile work environment. I think it's very relevant to determine what the people who work in the department think.

PHETERSON: I, I, you're permitted to ask that question.

MARIANI: Mrs. Wall, do you hope to remain employed by the Finance Department?

WALL: Yes, I do.

MARIANI: And if it were up to you to select who the Director of that department would be, who would you select?

WALL: I would want to see Marie Crozier as the Finance Director, and I would like to see Mary Dinehart not work for the Town anymore. She's extremely unprofessional and, like I said, I'm very intimidated having to work there with her.

MARIANI: Tell me why you would want Marie Crozier to remain as the Finance Director?

WALL: Because she's honest and she's trustworthy. She cares about her employees. She cares about the Town. She's dedicated, and I believe in Marie. She has a lot of integrity, and that's why.

MARIANI: Thank you, I have no further questions.

RANDOLPH: No questions of this witness.

SMITH: All right. Thank you, Mrs. Wall.

WALL: Thank you very much.

SMITH: Mrs. Pollitt, will you swear in the witness please?

POLLITT: (Witness was sworn in)

CURTIN: Would you please state your name for the record?

POLLACK: Okay, my name is Kathy Pollack.

CURTIN: And, uh, Ms. Pollack how long have you been with the Town of Palm Beach?

POLLACK: I've been with the Town a little over six years.

CURTIN: And how long have you been--well, which department are you in?

POLLACK: I'm in the Purchasing Department now, and all of those six years, minus eight months, I've been in Purchasing. I started off in Personnel.

CURTIN: And are you in a department that is under Marie Crozier's supervision?

POLLACK: Yes, Marie's my department head.

CURTIN: Okay. How long have you known Marie Crozier for?

POLLACK: Ever since I started with the Town--March of 1990.

CURTIN: Okay. Do you have an opinion about Marie Crozier from a professional standpoint?

POLLACK: From a professional point, I think Marie is an excellent--a very excellent department head. She's a very good leader. She encourages us if we have any problems to come and speak to her. I think she's the best.

CURTIN: Was Marie Crozier--does--in your opinion, does Marie Crozier create a hostile work environment in the Finance Department?

POLLACK: No. When this all came up I was so shocked to hear about hostility and that Marie was the cause of this. I just couldn't understand it. I always considered the Finance Department to be the friendliest department in the Town. I looked forward to coming over every day and seeing everyone. I believe she is the reason why the department was so friendly. I--this whole thing I just couldn't understand. I'm in the department--four days a week I come over here. I take the mail from the Public Works Building over to Town Hall and distribute it to the different departments, and I'm in the Finance Department, say, 15-20 minutes a day four days a week, and I always, always have looked forward to coming over. That part of my job was always, you know, the best part. I get to see people, and I am part of the Finance Department, so I know the girls, and it was just a very enjoyable part of the day, and Marie always, if she saw me, I got a very cheerful greeting--it was Hi Kathy, how're you doing? Um, just--this whole thing was just a very big shock--that they could say that Marie was very hostile to anyone.

CURTIN: Did she treat you with respect in your staff meetings?

POLLACK: Oh yes, very much so.

CURTIN: Would she hold staff meetings with your department as well?

POLLACK: We'd have staff meetings once a month and keep us informed about whatever was going on in the Town.

CURTIN: Okay. Did you ever witness Marie screaming at either you or other people in your presence?

POLLACK: No. I've never seen Marie berate, belittle, scream at, -- I've never seen her reprimand anybody. I've just-- in my case I've never witnessed it at all, and in six years I would think I would come across one instance where I would have seen something, and I've just never seen it.

CURTIN: Was Marie Crozier, in your opinion, a pretty sensitive person to her employees?

POLLACK: Marie's very caring. She truly cares about the people who work for her, and everyone. She uh--a couple of years ago my father had died, and the week before my father died was very, very hard for me. I was out of work and she was very supportive, very sympathetic, and Marie and one other person in her department actually came to my father's funeral, and that's something I think about all the time--that she cared enough to be there, and when I looked over and saw her in the church--I think about it just about every day, because I think about my dad every day, and I always, always remember that Marie was there for me when I needed her

CURTIN: In your opinion is Marie Crozier an honest person?

POLLACK: Yes. I think Marie's very, very honest. I can't believe that Marie would have taken anything. It's--I think the whole thing as far as I'm concerned I think whatever's happened with the petty cash fund's concocted by the people who are bringing these charges against her. I feel that they have access to do whatever they can do to the records.

CURTIN: Would you are to mention a name as to who you think has concocted this?

POLLACK: Mary Fae Dinehart.

CURTIN: Would you characterize Marie as a loyal employee of the Town?

POLLACK: Marie's, I think, one of the most loyal people in the Town. She's always here. I mean, she's here in the morning 'til late at night. I can't think of anybody more loyal to the Town after 22 years. I think she's one of the most loyal people in the whole Town.

CURTIN: Would you characterize Marie as hard working?

POLLACK: Very hard working. She's always working.

CURTIN: Thank you, no other questions.

RANDOLPH: Mrs. Pollack, I understand you've never seen Mrs. Crozier reprimand anyone, is that correct?

POLLACK: That's correct.

RANDOLPH: But that's not a statement that she's never reprimanded anyone, is it?

POLLACK: No, that's just my observations.

RANDOLPH: Yes. And I assume that Mrs. Crozier has never taken you back into her office to reprimand you.

POLLACK: No.

RANDOLPH: And Marie, when you came over, would give you a cheerful greeting. That's during these 15 minute periods during the day when you were over there?

POLLACK: That's correct. If she happened to walk out of her office and I was distributing the mail, then she would say hello and speak to me.

RANDOLPH: Okay. Where is the Purchasing Department located?

POLLACK: We're located in the Public Works Building in West Palm Beach on Old Okeechobee.

RANDOLPH: I see. How far away is that from the Finance Department office?

POLLACK: A couple miles--across the bridge.

RANDOLPH: Okay. And you're in that department about 15 minutes a day, four days a week?

POLLACK: That's correct.

RANDOLPH: Thank you, I have no further questions.

SMITH: All right. Thank you very much Mrs. Pollack.

CURTIN: Did you write a letter on behalf of Marie Crozier?

POLLACK: Yes I did.

CURTIN: And do you recall the date of that letter?

POLLACK: I don't recall the exact date. It was a few weeks ago.

CURTIN: Okay. I'm going to show you a copy of your letter, Kathy, and ask you to identify it.

POLLACK: Yes, that's it.

CURTIN: That's a copy of your letter?

POLLACK: Um-hm.

CURTIN: That is your signature?

POLLACK: Yes it is.

CURTIN: The letter is dated April 16, 1996, and this is a copy of your signature?

POLLACK: Yes it is.

CURTIN: Addressed To Whom It May Concern?

POLLACK: Yes.

CURTIN: Okay, thank you.

RANDOLPH: What was the occasion of your writing this letter? Did someone ask you to write this letter for them?

POLLACK: Yes.

RANDOLPH: And who asked you to write this?

POLLACK: Marie asked us to help her.

RANDOLPH: Thank you, no further questions.

SMITH: Is that letter entered into the record? I mean, we're talking about a letter. Is it into the record as an Employee exhibit?

CURTIN: I don't believe that this letter was part of the original Marie Crozier April the--

SMITH: What are we talking about, Mr. Curtin?

CURTIN: We're talking about a letter that Ms. Pollack has written in support of Marie Crozier.

SMITH: Right. And you're entering it into the record.

CURTIN: And I'm entering that into the record. That's correct. It's been identified.

SMTIH: All right. Thank you. So that's Employee Exhibit 2?

CURTIN: That's correct.

SMITH: All right. Thank you. Thank you, Mrs. Pollack.

SHAW: Do we get to see it?

SMITH: We're going to get to see it. We'll get to see it.

PHETERSON: Procedurally, would you like copies made so you each have a copy, or can we just pass the one copy.

DONEY: We'll have copies made. We'll call our office and have copies made.

SMITH: The same thing we did for the Town Exhibits. All right. Copies.

Mr. Curtin, have you called your next witness?

CURTIN: Yes, I have.

SMITH: Ya. And I think--all right.

POLLITT: (Witness was sworn in)

CURTIN: Would you state for the record your name?

BRAGEL: Donna Bragel.

CURTIN: And Ms. Bragel, how--are you employed by the Town of Palm Beach?

BRAGEL: Yes sir.

CURTIN: And in what capacity?

BRAGEL: I'm the receptionist and do other little jobs, take tickets.

CURTIN: And as part of your duties are you what they refer to as the runner that goes to the banks?

BRAGEL: Yes sir.

CURTIN: Is that a normal part of your responsibility?

BRAGEL: Yes sir.

CURTIN: Could you describe how that works?

BRAGEL: Well, one person, usually Mary Fae, prepares the bank deposits and everything, and then she'll just tell me when it's ready, and then I take it to the bank. I don't have anything to do with preparing it or anything like that. I just carry it.

CURTIN: Okay. And on a daily basis do you--what bank do you usually go to?

BRAGEL: I go to one bank everyday and then there's another bank I go to once a week and every two weeks.

CURTIN: And, what is that other bank that you go to?

BRAGEL: Great Western.

CURTIN: Do you make deposits for--how long have you know Marie Crozier?

BRAGEL: I've known Marie probably three or four years, prior to working here, because I was employed at one of the banks.

CURTIN: Three or four years you indicated?

BRAGEL: Yes sir.

CURTIN: And then you've know her since you've been here, is that correct, here and at the bank?

BRAGEL: Ya. Just in a professional/customer relationship. I'm not a friend of her's or anything.

CURTIN: Okay. Do you have--from your employment here do you have an impression of Marie from a professional basis?

BRAGEL: Yes sir.

CURTIN: What is your impression?

BRAGEL: I've always found Marie to be very warm and open and very professional. I thought she handled being friendly and warm to the employees, but keeping that distance that a boss should with an employee.

CURTIN: Was there anything that was brought to mind with you that indicates that level of warmth that she has?

BRAGEL: The day I started there was a plant on my desk that said welcome Donna, and she gave me a little picture frame that said, you know, welcome to the team, thanks for coming aboard. It was very touching.

CURTIN: Does Marie tend to be a sensitive person like that?

BRAGEL: Ya. I think so. I think when anybody--when your child was sick or something was wrong she was very quick to pick up on it and empathize and be there for you when you needed her.

CURTIN: You indicated as part of your duties you took deposit for the bank. Did you take employees--other employees deposits to the bank as part of your normal duties with the Town?

BRAGEL: Ya, frequently, you know, if someone needed some cash for lunch or something like that, or make a deposit, they'd come by and say oh, are you going to Great Western, would you cash a check for me--would you make a deposit, would you mind doing this. It was just a courtesy.

CURTIN: Did you do this for people other than for Marie Crozier?

BRAGEL: Yes sir.

CURTIN: Was it something you did in a normal fashion for many people in the Town?

BRAGEL: Ya. You know, anybody asked, I didn't think anything of it. When I worked at the bank it was pretty common for one person from a law office or something to come in with everybody's paycheck or something like that, you know, just one person went to the bank.

CURTIN: Could you explain how these deposits were physically. How did this come about?

BRAGEL: For other people?

CURTIN: That's right, ya.

BRAGEL: Usually they'd just bring it to me. It didn't get commingled with the Town stuff. They'd come in and put it on my desk; say, oh, would you cash this, would you take care of this, something like that. I kept it separate from the Town's banking.

CURTIN: So if this is an envelope--let's assume this is the Town's cash deposit receipt. What would you do--you'd take these in addition--separate and independent, or would they be in the bank bag--how would that work?

BRAGEL: Normally, when I originally started they were not in the bank bag. I just always carried it myself, but about September or October, Mary Fae started coming to me and saying do you have anything for the banks, I'm going to get the bag together, and I'd give them to her, and I think that's when she started copying Marie's banking--personal banking.

CURTIN: In what way--how did it come to your attention that she started copying Marie's personal banking?

BRAGEL: Because she came to me and started asking me for it, which she hadn't done prior to that for about four or five months.

CURTIN: So she started coming to you in approximately September and asking you--

BRAGEL: September or October, ya.

CURTIN: And asking you about Marie's personal--

BRAGEL: Of any--not Marie's specifically--she would just say do you have anything to go to the bank, and you know, she started taking it, and normally a lot of them, and Marie would always give it to me in an envelope, either--so I'd know whether this was for First Union or Great Western--it was one of those little banking envelopes. I never paid any attention to what it was.

CURTIN: Well let's go into that banking envelope a little bit. You said that Marie would give you an envelope and it would either be First Union or Great Western. Now this would be her private banking transaction that she would give to you asking if you were going to the bank--is that right?

BRAGEL: Yes sir.

CURTIN: And then she would give you that to see if you would make that deposit?

BRAGEL: Yes sir, or whatever it was, ya.

CURTIN: But it was in a separate envelope, is that correct?

BRAGEL: Ya.

CURTIN: And was that envelope normally sealed?

BRAGEL: Yeah. A little gummy stuff. Yeah.

CURTIN: Would it be your impression that there would be an expectation of privacy to that --that what was given to you?

BRAGEL: I would expect that in any banking transaction.

CURTIN: Okay. And would it be your impression that Marie thought that when she gave it to you?

BRAGEL: I would presume so. I don't know why she would think anything else.

CURTIN: Is it your understanding or that possibly Mary Fae Dinehart actually went into these envelopes and copied Marie's bank statements?

BRAGEL: I got the impression she was doing something. I thought maybe she was just keeping track of them for some reason or something. I didn't know she was actually copying them at the time.

CURTIN: How did she--how did she physically take possession of these so that she would be in a position to do that?

BRAGEL: Well, she'd just come and say do you have anything for the bank bags? And I'd give her everybody's check and stuff. She'd have it and then she'd put whatever was for Great Western in that bag and whatever was for First Union in that bag.

CURTIN: So, it's possible she may have copied someone else's statements as well?. Would that be correct?

BRAGEL: I guess.

CURTIN: In other words, she would relieve you of the obligation to go to the bank for the other people including the bank bag?

BRAGEL: No, she didn't go there. She just got the stuff together to go. Normally she would bring me the bag when its done, say "Here, it's ready to go, go to the bank". I didn't have anything to do with putting it together.

CURTIN: This is the bag.

BRAGEL: Uh-huh.

CURTIN: And in this bag is what? The bank--

BRAGEL: The deposits or whatever the Town's doing. Yeah.

CURTIN: The Town's transactions. And then you close this bag, and then what else do you have? Are the personal transactions inside the bag or are they outside the bag?

BRAGEL: After she started collecting them they were. Yeah.

CURTIN: I'm sorry--after..

BRAGEL: After she started coming to me and asking me for them, they were each in respective bags.

CURTIN: So it would be a bank bag and a separate bag that Marie would provide you with. The separate bag..

BRAGEL: A little envelope. No.

CURTIN: I'm sorry.

BRAGEL: Now I'm confused.

CURTIN: Yeah. Okay. Start at the beginning. What would she bring to you? The bank--you're going to make a bank run.

BRAGEL: She would bring it to me when it was all done and ready to go.

CURTIN: Okay. But, what..

BRAGEL: Just. No, just in the bank zipper bag.

CURTIN: Okay. And they would be the bank's--the Town's transactions in a bag?

BRAGEL: Uh-huh.

CURTIN: And that would be what--a separate bag?

BRAGEL: No.

CURTIN: It wouldn't be a separate bag?

BRAGEL: No. If somebody else had a check to cash for lunch or something, it would be in there.

CURTIN: Where would that be?

BRAGEL: In with the bank stuff. In the bank bag.

CURTIN: How do you mean "in with it"? Here's the bank stuff. Is it on top--like that?

BRAGEL: No.

CURTIN: It's where? It's here?

BRAGEL: It's inside. Inside.

CURTIN: It's inside this bank bag.

BRAGEL: Uh-huh. All banking was in the bag for the bank it was going to.

CURTIN: Mary Fae would prepare that bag and give it to you?

BRAGEL: Yes sir.

CURTIN: And then presumably Marie Crozier's deposit was also in the bag?

BRAGEL: Yes sir.

CURTIN: Okay. But it was in the bag in an envelope to the best of your knowledge?

BRAGEL: Yes sir. Well, it was by the time I got to the bank. Yeah.

CURTIN: Okay. Uhh--do you have an opinion of Marie Crozier? Uhh--based on your experience with her?

BRAGEL: From when she was a customer of mine and everything. I've always liked Marie.

CURTIN: Do you regard Marie as an honest person?

BRAGEL: Yes sir.

CURTIN: Do you think Marie is a thief?

BRAGEL: No sir.

CURTIN: I have no other questions.

BRAGEL: Thank you.

RANDOLPH: Ms. Bragel, how long have you been employed with the Town?

BRAGEL: One year.

RANDOLPH: And a--when were you asked to take over the banking?

BRAGEL: It was part of the job. You know, I--

RANDOLPH: Have you always been doing that? Ever since you have been here?

BRAGEL: Yes sir.

RANDOLPH: And you just indicated that you liked Mrs. Crozier when she was a customer of yours. What did you mean by that?

BRAGEL: Very friendly.

RANDOLPH: But what did you mean when she was a customer of yours?

BRAGEL: Oh, uh. Previously I worked at Great Western Bank down here.

RANDOLPH: Uh and did you, did you handle transactions for Mrs. Crozier when you were at Great Western Bank?

BRAGEL: Yes sir.

RANDOLPH: Have you ever made statements to people within the Finance Department that you were aware that Mrs. Crozier's name was on a check-kiting list at Great Western Bank?

BRAGEL: I did make that statement. Yes sir.

RANDOLPH: Do you recall your statement being taken by the Police Department?

BRAGEL: Yes sir.

RANDOLPH: Do you recall making this statement that you know almost nothing that goes on in Finance that you have a perception that there are personnel problems--some people can't stand each other--that you, meaning Donna Bragel, are out of things. That you have picked up on the fact that some people do not like Marie--that they have no respect for her and that you are too new there to know what's going on?

BRAGEL: That was in response to a question they asked me, at the time if I knew of anybody in the office had a grudge or a reason to dislike Marie. And I said I knew that there were some people who neither liked her nor respected her. At the time, as far as having a grudge or something, I wasn't aware of that.

RANDOLPH: And you recall saying that you're too new there to know what's going on?

BRAGEL: That was in response to him asking me about uh--it was something to do with money missing or something, and I don't deal with that end at all, so I wouldn't know about it.

RANDOLPH: Thank you. No further questions.

SMITH: Could I ask you a question, Mrs. Bragel?

BRAGEL: Oh, yes m'am.

SMITH: I'm confused on the bank bag. Is it actually a bag or is it a folder? What do you go to the bank with?

BRAGEL: Everything that is going to the bank is in a zippered bag with either Great Western or First Union.

SMITH: And the Town things that are going to the bank, what do you do with the bag when you get to the bank?

BRAGEL: I hand it to the teller. The only thing I look at is if I have something that has to go one of the desks. I'll check that and do that first then go stand in line.

SMITH: But if there are personal things for friends that you know, you are helping out and they are in the bag too, do you get those deposit slips given back to you?

BRAGEL: I always would have one bank that they would just put it in an envelope and
SMITH: Hand it back to you.

BRAGEL: Yeah. Cause when I brought back checks that were cashed, I always said to them, will you count your money? Because I never knew how much anybody cashed or what it was or anything like that.

SMITH: All right. But it's all in a zippered bag going to the bank that you didn't open?

BRAGEL: That's correct.

SMITH: All right. Thank you.

RANDOLPH: I did have one follow-up question in regard to the interview that you had on tape. Uh--isn't it true that when you were at the bank, you and other bank employees used to joke that if Marie couldn't handle her own account, how could she handle the Town's account?

BRAGEL: That was one of the other tellers who did that, because to be honest with you, at the time, I did not know what Marie did for the Town.

RANDOLPH: No. But you recall hearing those kind of jokes being made at the bank?

BRAGEL: Yeah.

RANDOLPH: All right. Thank you.

SMITH: Thank you very much.

(The Town Clerk swore in the next witness.)

CURTIN: Would you state your whole name for the record?

JONES: My name is Linda Campbell-Jones.

CURTIN: And Miss Jones, how long have you been an employee with the Town of Palm Beach?

JONES: I have been there for 17 years.

CURTIN: And how long have you been in the Finance Department? Why don't you pull it towards you? It's probably a better way to go.

JONES: I have been in the Finance Office for 14 years.

CURTIN: Fourteen years in Finance. How long have you been associated with Marie Crozier--in the Finance Department? I mean you work under Marie Crozier, do you not?

JONES: Yes, I do.

CURTIN: Uh, so that would be for 14 years, is that correct?

JONES: Yes.

CURTIN: Do you have an opinion of Marie as a professional person in the Finance Department?

JONES: I certainly enjoyed working with her. I think she's been a very good boss to me. I think she has been very loyal to the Town and everyone in the office.

SMITH: Could you speak into the microphone?

CURTIN: Move the microphone a little closer to you, if you can?

JONES: Is this better?

CURTIN: Would you -- since you--it was difficult for the Council members to hear you, would you restate your position concerning Marie as a professional person in your relationship within the Finance Department?

JONES: Okay. Uhh--I'm sorry. I thoroughly enjoyed working with Marie. She has been a very good boss to me, and I think she has been very loyal to the Town and everyone in the office there.

CURTIN: Okay. Do you regard Marie Crozier as a loyal person?

JONES: Yes, I do.

JONES: Yes, I do.

CURTIN: Could you give me an example of that..?

JONES: Of loyalty?

CURTIN: Of loyalty to the Town, I'm sorry, I didn't finish my statement. Is she a loyal person to the Town -- the Town of Palm Beach, in your opinion?

JONES: Yes, she is very devoted.

CURTIN: Okay. Uhh--when you say devoted, can you give me a "for instance" or can you explain your statement?

JONES: Well, anything she set out to do for the Town--I mean--she put her heart and soul into it.

CURTIN: Okay. Did Marie Crozier do anything to encourage your professional development?

JONES: She was always a very big help. I mean I would describe her as --I always felt like she was like a coach. She was always there to help me and support many of the things I do, and when I felt like I didn't have that drive, she gave me that incentive.

CURTIN: Uhh--can you give a specific "for instance" of how she may have encouraged you to have drive or give you incentive?

JONES: Uhh--I've been working with the tickets, you know, all my life, so I mean in the time I've been in the Finance office. So--uhh- she's always helped me in that area. I'm sorry, I don't have a direct answer.

CURTIN: Okay. Were you aware that there were some problems in the Finance Department?

JONES: There were problems in there.

CURTIN: Okay. Did Marie, in your opinion, did Marie try to resolve those problems? Did she work to cure the problems in any way?

JONES: Yes.

CURTIN: How did she do that?

JONES: She always made attempts to bring the matter to the attention in staff meetings--uhh--she would make that as a whole to the whole office there in hopes that that would rectify the problem.

CURTIN: Uhh--were you--do you have an opinion as to whether or not there's was a dissident in the Finance Department that was attempting to pull things down?

JONES: Uhh--we had a couple of bad apples in the office there.

CURTIN: Can you identify who those bad apples were in your opinion?

JONES: Uhh--my opinion?

CURTIN: Yes.

JONES: It was Leslie and Mary Fae.

CURTIN: Leslie?

JONES: and Mary Fae Dinehart.

CURTIN: Leslie?

JONES: Leslie Shields and Mary Fae Dinehart.

CURTIN: Mary Fae Dinehart. Okay. Can you give me an example of how these people would pull things down?

JONES: Uhh--they were kinda like the joksters of the office. They were always pulling pranks or plotting things.

CURTIN: Can you give me some instances?

JONES: Uhh..One instance I can recall was they were trying to play a joke on Leslie and they were trying to put some hand cream on the ear piece of the telephone. And again without her knowledge. And it just so happened that her immediate supervisor, which would have been Barbara Martinuzzi, and when she came to answer her telephone, she came in contact with the hand cream on the ear piece. She wasn't very happy about it.

CURTIN: Were you aware of the fact--did Marie take any steps to try to deal with this problem with the so-called bad apples?

JONES: She made several attempts to appease the problem, and I understand that she also had taken the matter to the Personnel Office and to the Town Manager's Office after Kathy and I had brought it to her attention that this has been an on-going problem in our office.

CURTIN: You and Kathy brought it to Marie's attention?

JONES: Yes, we did.

CURTIN: And that it was a problem in your office?

JONES: Yes.

CURTIN: Okay. And then Marie did what with that?

JONES: That she had taken the matter to the Personnel Office and to the Town Manager's Office to relate the problem to them.

CURTIN: This is the problem with the so-called bad apples that you refer to?

JONES: Yes.

CURTIN: As a result of taking it, were there some activities taken? Did the Personnel Director come and do anything within the Finance Department?

JONES: Uhh--he had interviewed each of us in the office to get our ideas of what was going on.

CURTIN: Did Marie Crozier on an annual basis, within her department, attempt to circulate among the various employees like an evaluation report of herself?

JONES: Yes.

CURTIN: Did you fill that in?

JONES: Yes.

CURTIN: And what was your impression of the opportunity to do this?

JONES: I thought it was a very good idea. It kinda gave one an opportunity without actually having to confront her of areas that we thought she needed improvement

CURTIN: Okay. And had she done this for a couple of years?

JONES: She's done that for several years.

CURTIN: Were you ever berated by Marie?

JONES: No.

CURTIN: Did Marie ever scream at you?

JONES: No.

CURTIN: Did you believe that Marie created a hostile working environment in the department?

JONES: I don't think so.

CURTIN: Did Marie do anything to encourage your professional development?

JONES: Yes.

CURTIN: In what way? If you can remember.

JONES: She always encouraged us to do whatever we could--to go back to school, take any courses that would help us in areas of financing.

CURTIN: Do you regard Marie as a loyal and devoted employee to the Town?

JONES: Most definitely.

CURTIN: Do you think Marie is an honest person?

JONES: Honestly, yes.

CURTIN: Did you write a letter on behalf of Marie?

JONES: I did.

CURTIN: And is that letter dated April 16, 1996?

JONES: Yes.

CURTIN: Will you please identify this -- whether or not this--?

JONES: Yes, that is the one I wrote.

CURTIN: That is a copy of your letter?

JONES: Yes.

CURTIN: I would like to offer the letter, Skip, and it is part of the package...that's dated April 16th, it's in that package.

DONEY: It's not in the package, I don't believe.

CURTIN: No, I gave Skip a package that I asked to give to the Council members but he hasn't. These are letters that were generated that came after the first, for example, the last witness, Donna Bragel, I did not have her identify her letter because it was part of the April 7th Marie Crozier response to your memo, Mr. Doney. But there are subsequent letters. This is a letter of April 16, 1996. I do have, Skip, so we are not in confusion. Do you want to take a quick look at those? Because it would be helpful if these were--I have a package for Council rather than each of these letters--to identify.

RANDOLPH: Well, I don't mind you just handing them each time because it would take me a while to approve them all. I am not going to have any objection to the letters.

CURTIN: Okay. What I'm going to do just for simplicity--so this doesn't take forever. I did prepare a package for each of you and you know I guess in the normal proceedings, we would give them to you but your counsel--what do you want to do with them, Skip? Here I'm giving them--I'd like you to have them so each witness that is up here can identify her letter.

DONEY: Just--

SMITH: Just a minute, Mr. Doney. Mr. Randolph, how do want to proceed with the submission of these letters?

RANDOLPH: As with the evidence I presented, I would like to have the opportunity to see each piece of evidence as it comes to the Council, so that--

SMITH: I think that's fair. I think that we should follow the same procedure, Mr. Curtin. Take as much time as you need.

CURTIN: Okay. Fine.

Thank you, Mrs. Smith. Since we were starting about 2:15 here I appreciate that offer.

SMITH: We're all yours, Mr. Curtin.

CURTIN: Okay. Thanks.

PHETERSON: Mr. Curtin, just for the record, the letter from Mrs. Pollack is employee exhibit two and this letter from Mrs. Jones would be number three--employee three.

CURTIN: Right. Pollack is two.

You mentioned in your letter that Marie Crozier was devoted and devoted herself to the Finance Department. Do you believe that to be a true statement as you sit here today?

JONES: Yes, I do.

CURTIN: And you also indicated that she stressed cross-training and development of new skills. Is that correct?

JONES: Yes.

CURTIN: Do you regard Marie Crozier as a good boss?

JONES: Absolutely.

CURTIN: Do you think Marie Crozier is a thief?

JONES: No.

CURTIN: No further questions.

RANDOLPH: Miss Jones, what was the occasion of your writing this letter of April 16th?

JONES: I -- at that point when I wrote that letter, it was after the point that I had found out that Marie had been fired.

RANDOLPH: So Marie Crozier asked you to write this letter?

JONES: She had asked me but I felt compelled that I wanted to long before then.

RANDOLPH: Now you were--you were interviewed, weren't you by Mr. Elwell and Mr. Crouse during this period of the review. Do you know the definition of "hostile work environment"?

JONES: Working under tense conditions.

RANDOLPH: Is that your definition?

JONES: Yes.

RANDOLPH: Okay. And you like Marie?

JONES: Yes, I do.

RANDOLPH: And she didn't berate you?

JONES: No.

RANDOLPH: And you indicated that there were some bad apples in the department that brought the department down.

JONES: Yes.

RANDOLPH: Was Debbie Kelly a bad apple?

JONES: I didn't consider her as a bad apple.

RANDOLPH: Was Lisa Gorman a bad apple?

JONES: No.

RANDOLPH: Thank you. I have no further questions.

SMITH: All right. Thank you very much.

Thank you, Miss Jones.

JONES: Thank you.

SMITH: Thank you.

(The Clerk swore in the next witness, Edith Pickett)

CURTIN: Mrs. Pickett, how long have you been an employee with the Town?

PICKETT: For eight years.

CURTIN: Eight years. And how long have you been with the Finance Department?

PICKETT: Well I've been--Purchasing is a part of Finance and I've been in Purchasing for the whole eight years.

CURTIN: Okay. As part of the Purchasing Department, do you have a relationship or are you--is Marie Crozier your boss?

PICKETT: Yes, she is.

CURTIN: Okay. And so you have known her for eight years. Is that correct?

PICKETT: Yes, I have.

CURTIN: What type of boss is Marie?

PICKETT: Well, I think she is a very good boss. I've always been amazed at her stamina and hard work and she's always been very professional when she was around me. I've never seen anything other than her professional side. She is also very compassionate. She's been very interested in me as a person. I've had a lot of personal problems and she's always been supportive of that.

CURTIN: Is she, in your opinion, committed to the Town?

PICKETT: Oh, definitely. I think she is one of the most committed employees I've come in contact with in the Town.

CURTIN: What is your opinion of her sense of professionalism?

PICKETT: Well, as I said, I have never seen anything that I didn't think was professional. I think that everything--she's always been extremely professional when she has been in our office. We have a monthly meeting with her and everything that goes on--she has always appeared extremely ethical and --

CURTIN: Okay. Have you ever seen Marie, in your opinion, use intimidating behavior?

PICKETT: Never.

CURTIN: Has she ever used intimidating behavior with you.

PICKETT: Absolutely not.

CURTIN: In your opinion, did she attempt to build morale in the department.

PICKETT: Yes, very much so.

CURTIN: Can you give me a for instance?

PICKETT: Well, she's always been very appreciative of anything that -- over the years I've done a few jobs that weren't really part of my particular scope of work and she's always taken the time to say thank you. I think she's definitely--you know, she spent time over there making us feel like we were part of the Finance Department even though we are across the bridge and I definitely think she is good for our morale.

CURTIN: Okay. Has Marie ever showed you--strike that statement. Has Marie--you would have monthly meetings with Marie. Is that correct?

PICKETT: That's right.

CURTIN: Did she at those times demonstrate a professional sense in your--the way that things were conducted within your department?

PICKETT: Oh, always. And a friendly attitude too. I mean, you know, it was--but she was always professional.

CURTIN: Can you give me a for instance of how Marie was friendly to you in any particular way? Is there anything that sticks out in your mind as a friendly gesture that Marie did with you on a personal basis?

PICKETT: Well, I had the death of an aunt that I was very, very close to. She was like a mother to me and I had cared for her a number of years, and I had to handle everything that was involved with her death. Because she was as close as she was, Marie fought to get me bereavement pay so that I wouldn't have to take the time off without pay.

CURTIN: Okay. In your opinion, were there pranksters within the department?

PICKETT: Yes.

CURTIN: Could you identify who those people might have been?

PICKETT: Well, Mary Fae Dinehart and Leslie, particularly. You could call over there sometimes and hear all of the laughter and carrying on in the background.

CURTIN: Would you characterize that as perhaps they were behaving in a obstreperous or noisy manner?

PICKETT: Yes, I would say so. Juvenile manner.

CURTIN: Juvenile manner. Are you kind of shocked by the events that have happened here?

PICKETT: Oh, very much so. Very, very much so. I think Marie, in my opinion, she's always been one of the most dedicated employees of the Town and I think it's going to be the Town's loss if she's gone. I've always been amazed at the hard work that she puts in. I mean I don't think that I have ever seen anybody work much harder or be much more dedicated.

CURTIN: Do you--you do regard Marie as an honest person?

PICKETT: Very much so. I've --absolutely.

CURTIN: Do you believe that Marie would have done what she is charged with here:

PICKETT: No, I don't.

CURTIN: Do you think she took $62 from petty cash?

PICKETT: No. Absolutely not.

CURTIN: Do you think maybe it's a setup?

PICKETT: I think it is a setup or a misunderstanding or something. I certainly don't think that she is a thief.

CURTIN: Okay. I have no further questions.

SMITH: Just in case, Mr. Randolph. The witness was about to leave.

PICKETT: I'm sorry.

SMITH: That's all right.

RANDOLPH: Ms. Pickett, obviously you like Ms. Crozier a lot, don't you?

PICKETT: Yes, I do.

RANDOLPH: And she has never berated you?

PICKETT: Not in any way.

RANDOLPH: And you are not aware of others within the Finance Department who may have been berated by her, are you?

PICKETT: No. I certainly wasn't. I was shocked to even hear it.

RANDOLPH: You were shocked to hear that she has berated others.

PICKETT: Right.

RANDOLPH: You asked--I have to think--whether you believed that she would have done what she's been charged here with. Tell me your understanding with what she has been charged here with?

PICKETT: Well, the petty cash thing for one thing, you know, which I mean I just--I think that's--I know how much petty cash goes through these departments, and I know how--no matter how hard you try to keep everything exactly right, things can be confused or misplaced.

RANDOLPH: I understand. What I would like you to do is to give me a list of the--of your understanding of the things that Marie Crozier has been charged with before this council--that you don't think she could have done.

PICKETT: I don't quite understand what you mean.

RANDOLPH: Well, you were asked the question, "Could you believe that she would be charged with the things that she has been charged with here". Now, I am asking you to give a list of those things that you understand that she has been charged with in front of this council.

PICKETT; I knew that she was charged with behavior that wasn't up to a department head.

RANDOLPH: Okay.

PICKETT: And I have never seen that in any of my dealings with Marie.

RANDOLPH: Okay. What else?

PICKETT: And the charges that the petty cash was missing.

RANDOLPH: Okay. Is that the extent of the understanding of the charges that are before the Council today?

PICKETT: Well, yes.

RANDOLPH: Okay. Now, where is the Purchasing Department?

PICKETT: It's over in the Public Works Building in West Palm Beach.

RANDOLPH: Is that located in the same building as the Finance Department?

PICKETT: No. It is not.

RANDOLPH: And a --does your work keep you within the Purchasing Department as opposed to this particular building where the Finance Department is?

PICKETT: Yes, it does.

RANDOLPH: So you're not really in the Finance Department itself on a daily basis, are you?

PICKETT: No. I'm not.

RANDOLPH: In fact, you very rarely come into the Finance Department. Isn't that correct?

PICKETT: Yes. That's true.

RANDOLPH: When's the--strike that no further questions. Thank you.

SMITH: Thank you, Mr. Randolph. Thank you, Mrs. Pickett.

CURTIN: Mrs. Pickett, one last thing. The --you did--did you write a letter on behalf of Marie Crozier?

PICKETT: Yes, I did.

CURTIN: And it's dated April 16, 1996?

PICKETT: That's right.

CURTIN: And it's addressed to Whom It May Concern?

PICKETT: That's correct.

CURTIN: Okay. I'm going to ask you--I'm going to hand you a copy and then ask you to identify it.

PICKETT: Yes. That's my letter.

CURTIN: That's a copy of your letter?

PICKETT: Yes sir.

CURTIN: Okay. I would offer the letter.

RANDOLPH: No objection with one question. Did Marie Crozier ask you to write that letter?

PICKETT: Yes, she did.

RANDOLPH: Thank you.

PHETERSON: That would be exhibit four.

CURTIN: Four. Okay.

PHETERSON: Four. Employee exhibit four.

SMITH: Mr. Curtin, anything else for Mrs. Pickett?

CURTIN: No. Thank you, Mrs. Pickett.

SMITH: Thank you, Mrs. Pickett.

PHETERSON: Mr. Curtin?

CURTIN: Yes.

PHETERSON: Can you--rather than call each time to make photocopies--is it possible for us to--are you going to actually have witnesses identify each one of these?

CURTIN: I brought copies for the Board and they are all sitting here. So when Mr. Randolph makes up his mind how to distribute them, they're there. I didn't want--

RANDOLPH: It's not a matter of my making up my mind. I asked that each letter be identified as it came forward.

SMITH: I think as it was identified then it will be distributed to the Board.

PHETERSON: And there are sufficient copies there for all.

SMITH: All right. Thank you.

PHETERSON: There's only three sets that have been provided to the Clerk.

CURTIN: I'm sorry, I thought we had--

PHETERSON: I mean if we're going to make copies, I would just as soon have a complete set of copies made--

SMITH: He was holding on to a couple of extra copies.

CURTIN: Shame on me.

(The Town Clerk swore in the next witness)

CURTIN: Mr. Curro, how long have you been with the Town of Palm Beach?

CURRO: Starting my 16th year.

CURTIN: And a -- what a--you might just draw that back a little bit from the-- 16 years. And what department are you in?

CURRO: I am in the Finance Department.

CURTIN: And how long have you been in Finance?

CURRO: This is my 5th year.

CURTIN: Okay. Are you -- is Marie Crozier your boss?

CURRO: She's my department head.

CURTIN: And is there another sort of an immediate boss in your -- in the Purchasing Department?

CURRO: Yes, there is.

CURTIN: And who would that be.

CURRO: Charles Boggs

CURTIN: How long have you known Marie Crozier for?

CURRO: About 9 years.

CURTIN: And she's been your department head for how long?

CURRO: In my 5th year.

CURTIN: How has Marie Crozier treated you as a person within her department

CURRO: She's always treated me as an individual. She's never treated me unprofessional. She's been just a good department head.

CURTIN: Okay. Has she treated you in a courteous manner?

CURRO: Absolutely.

CURTIN: Have you ever seen Marie Crozier--has she ever intimidated you?

CURRO: Never.

CURTIN: Have you ever seen her intimidate other people in your department?

CURRO: Never.

CURTIN: Have a--do you regard her as a courteous person?

CURRO: Absolutely.

CURTIN: Do you participate in the annual review that Marie asks for? Is that part of your department as well? The annual questionnaire that she distributes. Does that extend to your department? Do you remember?

CURRO: No.

CURTIN: Do you believe that Marie Crozier is an honest person?

CURRO: Absolutely.

CURTIN: Do you believe that she is loyal to the Town of Palm Beach?

CURRO: About as loyal as anybody I know.

CURTIN: Is Marie Crozier a hard working person?

CURRO: To a fault.

CURTIN: Okay. Is there anything else you would like to say on behalf of Marie Crozier, Mr. Curro?

CURRO: Well, I guess, I don't think anybody in the Finance Department would have a bigger ax to grind than I do--after all she suspended me for a week without pay--I'm sure Mrs. Smith remembers when I was in this chair last.

SMITH: I do.

CURRO: Having that big ax to grind, I could get my revenge right now, and I could cut my department head's throat, but I cannot in all honesty say that she has ever treated me or have I ever seen her treat anyone else, other than in a professional manner. And she is a kind hearted individual. She'd give you the shirt off her back if you needed it. And I just can't envision her in the picture that has been drawn of her. That is not the department head I know. I know her to be kind and whenever we have our department head meetings, they're open, they're cordial, and when the meeting is over, we always have a chance to say anything that is on our mind--irregardless of what it is--and if we need an answer to a question, if she cannot answer the question at that staff meeting, she'll come back to us the next day with an answer. So, I don't know that you can find a more professional person than she is.

CURTIN: Mr. Curro, you raised an issue with me when I originally contacted you to testify--either myself or my partner, Mr. Mariani. I would like you at this point if possible to express yourself to the Town Council on that issue. And now I am dealing with an issue other than the immediate issue of Marie Crozier, but this issue of intimidation came up. Could you please speak to that issue?

RANDOLPH: Excuse me--uh--

SMITH: To the microphone, please, Mr. Randolph.

RANDOLPH: I think the statement that was made and the question is that Mr. Curtin is dealing with an issue other than the issue before the Council. That being one of intimidation. I don't believe that this is the appropriate place to discuss that matter. I think that this Council has received a report--an investigative report in regard to this matter--and has decided to move forward with this hearing on the basis of all of the information that had been provided before this hearing. I think that it is totally irrelevant and does not belong in this hearing relating to people coming forward to testify.

SMITH: Mr. Pheterson, please.

CURTIN: If I could Jeff, before since he objected, if I could answer--I believe that it was directly in the course of preparing for this hearing that this issue came up and this gentleman specifically requested to speak to this issue because there were other people who wished to be here, expressed a desire to be her, but are not here today. As a matter of fact, one gentleman was so constrained that--

PHETERSON: Rather than--I really--

CURTIN: I let him go because he was here under such sense of duress. Now Mrs. Smith had invited the Town people to come forward, and I think that this gentleman because he was a source--he was one of the people who specifically referenced this. So I really think that he's requested--because it is directly related to this hearing. It's directly related to the issues that this Council has already ruled about, but which is why you are here, why you brought in Sally. I would say it is not in any way tangential. And I do think that this Council should hear it. At least hear this man's opinion. He specifically requested me that I request this Council to hear him on this issue. Now you make your decision.

PHETERSON: Now let me just note, for the record, the issue before this Town Council is the recommendation of the Manager with respect to the discharge of the Finance Director, Marie Crozier, which we have referred to at various points as the merits of this case. The testimony that Mr. Curtin would now like to bring forward through this witness does not relate to the merits of this case as it relates to this witness, but may affect, is it my understanding, Mr. Curtin, this is brief testimony?

CURTIN: Yes, it is brief testimony, but it will relate to the merits of the case, because there are people from the particular department that he is in who felt constrained as of today to come forward, despite some efforts to so call clear the air.

PHETERSON: Okay. Would the--let me note that it is--whether it really involves the merits of this case, maybe a matter of open debate. But as a practical matter, as I said at the commencement of the hearing, I think that this Town Council should error on the side of including testimony in order to put on whatever you believe you need to to prove your case. But I would also note that it may also result in the necessity of Mr. Randolph bringing in other witnesses.

SMITH: Mr. Randolph.

RANDOLPH: I just want to repeat my objection. I understand what Mr. Curtin is doing. I understand at the outset that he has claimed that he is not getting due process. And I understand that he may wish to take that up with another tribunal. The matter of due process is not before this tribunal now. The matter that is before this tribunal are the merits of this case as they relate to the recommendation of Mr. Doney. I do not feel that this is the appropriate place to now bringing these kinds of comments forward so far into this hearing when what we are trying to do is to determine whether or not you are going to sustain or reject Mr. Doney's recommendation.

CURTIN: I'm here to remind you that certain Council members when I originally presented this, specifically you, Mr. McLendon, you requested that you participate or requested of Mr. Pheterson. Mr. Pheterson, at that time, indicated that Council members could not participate and then participate in this hearing. That it would be inappropriate.

It's in this meeting now. It is an issue. I've only had four witnesses if Mr. Randolph says we are so far into this hearing, he has concluded his case after the better part of two days. We've started ours, but there are certain problems with it, and I do believe it is material and relevant and in succinct fashion, I think Mr. CURRO can address this and be done with the issue. It won't be repetitive testimony on this.

PHETERSON: Could you repeat the question--why don't we start at this point with the question?

CURTIN: Mr. CURRO, when we contacted you to come forward to testify here today, you indicated there were certain problems or impediments to doing that because of certain problems within the Town--problems in the chain of command. And the issue of suppression came up. I wonder if you could address that.

CURRO: Am I allowed to address that, or--?

SMITH: All right. Could I say something at this point?

I have found Mr. Curro to be totally fearless. He's obviously not intimidated or he would not be here today. Mr. Curro, how many grievances have you filed against the Town?

CURRO: Maybe two.

SMITH: Or more?

CURRO: No.

SMITH: No. And you have never felt any intimidation after you filed those grievances in going back to work for the Town, have you?

No, because you are here today.

CURRO: Wait a second. That's not quite true, Mrs. Smith.

SMITH: All right.

CURRO: I still feel that in coming here that later down the road they may get me.

SMITH: Well, I think that is a pretty broad statement because how many years have you worked for the Town?

CURRO: This is my sixteenth.

SMITH: Your sixteenth year, and would you like to identify the "they".

CURRO: Just management. I can't place any names right now. I'm not in a position--

SMITH: But you are here today, and I believe, Mr. Curtin, that this is your sixth witness. Did you forget two of them?

I think it's your sixth.

CURTIN: I guess I did. I had Mr. Curro as "4", but I guess we skipped the two because of the rescheduling.

SMITH: I know that the Council would be very happy to hear, at a later time, if there's a fear of intimidation, but Mr. Curro can't speak for anyone else.

CURTIN: That's correct.

SMITH: I mean, we've done hearsay and hearsay. So, he is here today and that shows in itself that he feels confident and secure that he will be protected by the Town Council. Right?

CURRO: That's debatable.

SMITH: Well, I know. A lot of things are debatable, but we are here in an open hearing and I don't --.

CURTIN: Okay. Mr. Curro?

SMITH: Yes. Why don't we poll the--

DONEY: Mr. Curro for the record. Mr. Curro.

SMITH: Maybe we could poll on how they feel. Mr. Shaw?

ILYINSKY: What are we voting on?

SMITH: On whether or not we want to hear Mr. Curro discussing the fear of intimidation. I don't know, since you can't speak for anyone else, you can only speak for yourself and you're here today, we would have to continue for--Mr. Shaw?

SHAW: I agree. I think everybody has to speak for themselves. So I would like not to pursue this any further.

SMITH: Mr. McDonald?

MCDONALD: No.

SMITH: Mr. McLendon?

MCLENDON: No.

SMITH: I think that --Was that your last question? Don't go Mr. Curro. Don't, don't go yet. Not quite yet.

Curro. I've got Curro here. I know it's Curro. We go back. Curro. I've got to put my glasses on.

CURTIN: You did write a letter on behalf of Marie Crozier. Is that correct?

CURRO: That's correct.

CURTIN: And could I ask you--this letter was dated April 16, 1996?

CURRO: You've got it in front of you. I guess that's the date.

SMITH: Yeah.

CURTIN: Could you identify that letter? Is that your letter?

CURRO: Yes it is.

CURTIN: I would like to offer the letter in--on behalf of the petitioner, Marie Crozier.

Uh--Mr. Curro, did Marie Crozier ask you for this letter?

CURRO: No.

CURTIN: How did the letter come about?

CURRO: I wasn't sure that there was any way that I could make my feelings known in regards to the accusations against her, so I decided I would write this letter to whomever it concerned.

CURTIN: Do you regard Marie Crozier as a leader?

CURRO: I do.

CURTIN: And you so stated in your letter. Is that correct?

CURRO: I did.

CURTIN: Do you regard her as a competent financial director?

CURRO: Absolutely.

CURTIN: Do you believe Ms. Crozier to be honest?

CURRO: Yes, I do.

CURTIN: Thank you. No further questions.

RANDOLPH: Mr. Curro, what do you know about the duties of the Financial Director?

CURRO: Well, it's her obligation to keep track of all of the budgetary funds that come in and out of the Town.

RANDOLPH: And you watch her do that?

CURRO: No, I do not.

RANDOLPH: Mr. Curro, you sat up here in front of this Council on previous occasions, have you not?

CURRO: That's true.

RANDOLPH: You've brought complaints of your own before this Council.

CURRO: I have.

RANDOLPH: And--let me ask you--where is the Purchasing Department--where you work?

CURRO: In West Palm Beach.

RANDOLPH: It's not in the same building as the Finance Department, is it?

CURRO: It is not.

RANDOLPH: And you do not spend your day in the Finance Department, do you?

CURRO: I do not.

RANDOLPH: And--you have not been berated by Mrs. Crozier?

CURRO: No, I have not.

RANDOLPH: Nor have you had an opportunity to see what goes on in the Finance Department on a daily basis?

CURRO: No. We have our own staff meetings that she calls, but I do not go into Palm Beach for those meetings.

RANDOLPH: Thank you, very much.

SMITH: Anything else, Mr. Curtin.

CURTIN: No.

SMITH: All right. Thank you, Mr. Curtin.

(The Clerk swore in the following witness.)

CURTIN: Would you state your name for the record?

DYTRYCH: Richard Dytrych.

CURTIN: And how are you employed? Are you employed with the Town of Palm Beach, Mr. Dytrych?

DYTRYCH: Yes, I am the Golf Pro Manager of the Par 3 Golf Course.

CURTIN: And how long have you been employed with the Town?

DYTRYCH: It'll be eighteen years in July.

CURTIN: Eighteen years. Okay.

And Marie Crozier has been with the Town approximately as long as you have. Is that right?

DYTRYCH: She was here when I became employed. So she's been here longer than I have.

CURTIN: Have you known Marie Crozier over the period of time that you have been employed with the Town?

DYTRYCH: I met her the first day I came to work here.

CURTIN: And what is your opinion of Ms. Crozier from a professional standpoint?

DYTRYCH: Honest, professional, forthright.

CURTIN: Have you had dealings with Mrs. Crozier concerning your--the Par 3 Course and the revenues from that?

DYTRYCH: Well I'd say not at a regular basis like it would be during budget periods. Pretty much it would be every day I'd have some kind of call in to Marie or it would be during--my cash receipts go to the Finance Department once or twice a week. My petty cash slips go to the Finance Department whenever we need petty cash so all our mail is in the Finance Department. So I'd have a lot of most of my interaction with Marie would be with budgets or questions about capital projects and whether we had the money to do the projects.

CURTIN: Okay, has she been responsive to you during these meetings--these interactions that you've had?

DYTRYCH: Very.

CURTIN: Can you give me an example of that?

DYTRYCH: Well, the last one that I had that would be budget related was I called Marie somewhere around the first of November and asked her if my brochure was approved in the budget, and she said yes. I said could I come in and talk to you about it because, you know, I needed Marie's support, and then I could enlist Russ' support, and then I could write the requisition and get it through the channels, and I went to Marie and we talked about it and I said I think this will increase revenue at the Golf Course, and she agreed, and that was--and after that it would be the usual things related to simple budget items.

CURTIN: Okay. Has she generally conducted herself in a professional and courteous manner with you?

DYTRYCH: Always.

CURTIN: Has she been respectful to you?

DYTRYCH: Always.

CURTIN: Do you think Marie Crozier, even though you're not immediately in her department--do you think she's a pretty good boss within the Town?

DYTRYCH To me, she was tops. I never had or saw any problems with Marie Crozier.

CURTIN: From your impression with Marie, from you dealings with her, do you think she's an honest person?

DYTRYCH: Very honest.

CURTIN: Do you have any reason to believe anything different than that?

DYTRYCH: I have no reason to believe anything other than her being very honest.

CURTIN: Would you characterize Marie as kind of a caring person?

DYTRYCH: Yes. Whenever she's come in she'd remember--how are you doing? How are things at the Golf Course. I've had a very good working relationship with her. I've had, you know, any disagreements I've had with Marie were over budgetary things where Marie went with the best interests of the Town and maybe my budget lost a little bit, but it was very caring and a very good relationship. I never hesitated to call her.

CURTIN: Okay. So, she was pretty open to you? I mean, she was accessible?

DYTRYCH: If I called her and said could I come up? Could I talk to you? I don't think in 18 years there was anything negative.

CURTIN: Do you think she's a loyal employee to the Town of Palm Beach?

DYTRYCH: Yes. If somebody walks around with I love Palm Beach button everyday, you would have to say they're very loyal to the Town of Palm Beach.

CURTIN: Did you ever see Mrs. Crozier scream at anybody?

DYTRYCH: Never.

CURTIN: Did you ever see Mrs. Crozier reduce anybody to tears?

DYTRYCH: Never.

CURTIN: Do you have any knowledge of her being an intimidating personality?

DYTRYCH: No, I was shocked by it. Every time I walked into the Finance Department everybody was laughing and smiling. I saw the opposite of what I've read, I guess.

CURTIN: You were kind of surprised to find these charges brought against her?

DYTRYCH: Shocked, disheartened, and disgusted to read about the character assassination.

CURTIN: Thanks, Mr. Dytrych.

RANDOLPH: Hi, Mr. Dytrych.

DYTRYCH: Good afternoon, Skip.

RANDOLPH: Where in the Town do you work, Mr. Dytrych?

DYTRYCH: I'm the Pro Manager of the Par III Golf Course, which is located about five miles south of here on the ocean.

RANDOLPH: And how much time during the day did you spend there?

DYTRYCH: In the season I'd say I'm open to close seven days a week. I'd be--it's like 70 hours a week maybe in the season.

RANDOLPH: Where is your office in relation to Mrs. Crozier's office?

DYTRYCH: Well, being that I don't have an office. If you called it an office.

RANDOLPH: Well, let's call your office the Golf Course.

DYTRYCH: The Club House? Where is it in relation?

RANDOLPH: Yes.

DYTRYCH: Well, if my office is five miles south of here, I guess we're five miles apart.

RANDOLPH: Yeh. But we're making a record here, Mr. Dytrych, and I have to get this on the record, and it wouldn't be understood unless I were able to ask the question, so.

DYTRYCH: I think I'm five miles from Town Hall.

RANDOLPH: And is it your understanding that the Finance Department is in Town Hall?

DYTRYCH: Yes.

RANDOLPH: And is it the Finance Department within which Mrs. Crozier works?

DYTRYCH: Yes.

RANDOLPH: And you don't work in the Finance Department--you're not there on a day to day basis?

DYTRYCH: No, I am not.

RANDOLPH: In fact, you're hardly ever there, are you?

DYTRYCH: I could it say, maybe in the 60-70 times a year, I'd say.

RANDOLPH: Okay. And for how long a period at a time?

DYTRYCH: During budget periods it can be half hour, maybe. Picking up mail - ten minutes.

RANDOLPH: All right, and that's the extent of time that you spend in that department?

DYTRYCH: In the department?

RANDOLPH: In the Finance Department.

DYTRYCH: Yes.

RANDOLPH: And, uh, so you haven't seen Mrs. Crozier's activities during the normal eight hour day that someone would spend within that department?

DYTRYCH: No, I have not.

RANDOLPH: Thank you. I have no further questions.

SMITH: All right. Mr. Curtain, are you finished with Mr. Dytrych?

CURTIN: Yes, ma'am.

SMITH: All right. Thank you.

RANDOLPH: I have one request to make. I had spoken to Mr. Curtin last evening and advised him of a scheduling problem. I knew that they wanted to put on Mary Fae Dinehart, who actually has flown back for this hearing today, and had plans to fly back this evening at 6:00 and I had asked Mr. Curtin if he could try to attempt to get her on before 4:00, so I'd ask if we could do that, please.

SMITH: Mr. Randolph, you asked Mr. Curtin if he could do that? What did Mr. Curtin say back?

RANDOLPH: Well, I just handed him a note, and then he handed it to Mr. Mariani, so I don't have an answer yet.

SMITH: All right. Thank you. Mr. Curtin, have you called your next witness, or, well, but, is this your next witness.

CURTIN: That's correct.

SMITH: All right. Thank you.

POLLITT: Would you raise your right hand, please. Do you solemnly swear that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth, so help you

God?

LANE: Yes.

CURTIN: Just, if I may for a moment. As far as Dinehart--she has a flight--it's--we've got other people here, so there's nothing I can do about that, so we'll just have to let her go for today. I mean, there's nothing I can do with twenty minutes. Mr. Randolph did mention it to me, but of course, we didn't get on here until about 2:00, so.

RANDOLPH: Are you releasing her as a witness?

CURTIN: No, I'm not releasing her as a witness. I'm just saying she's got--I've got people who are here who I've scheduled starting at 2:00, and frankly I don't have a--I mean, she's going to leave here--needs to leave office by 4:45. We've been pushed to the back of the heap here. I've been kind of crowded out.

SMITH: Excuse me, Mr. Curtin, you were pushed to the back of the heap because you took an hour and a half this morning with Mr. Doney. We didn't push you to the back of the heap.

CURTIN: Okay. I guess we did not get done with the City's presentation until--we didn't get to commence our case until 2:00.

SMITH: Right.

CURTIN: Okay, and therefore, given the time constraints, and Ms. Dinehart's unavailability, I really have no choice. There's not a lot I can do about it.

PHETERSON: Mr. Curtin. Would you please state on the record.

CURTIN: I'm not releasing the witness, it's just she's unavailable--

PHETERSON: Would you please let me finish my sentence, sir?

CURTIN: Yes, I will.

PHETERSON: Would you please state on the record the time constraints for whoever you have sitting out in the hall that will prevent those people from simply waiting until any witness, no matter what her name is and no matter what your client's opinion may be of her, to permit a witness to come when that witness is available for a limited period of time. I would like you to state on the record the time constraints that would prevent those witnesses from simply waiting a little longer.

CURTIN: I don't know the time constraints it would present those witnesses. I have asked those witnesses to be here as of 10:00 today. Now, if we want to adjourn this for 15 minutes I'll go out and I'll individually canvass them and I'll come back in and I'll respond to you. I don't know.

RANDOLPH: Excuse me.

SMITH: All right. Mr. Randolph?

RANDOLPH: Because of the time constraints, I'd rather not adjourn. There's Mr. Mariani here representing Mrs. Crozier, as well as Mr. Curtin. Mr. Mariani is sitting in a seat right now while we're discussing this. I discussed this with Mr. Curtin last night. I've flown this witness in specifically so she will be available for this hearing, because Mr. Curtin advised he wanted her here. And I advised him last night she had to leave by 4:00. Now, I'm telling him she has to leave by 4:45, and I think that he's had this case since 2:00. Because he knew this he could have put her on at that point. I don't want a statement made that I guess we'll have to do without her. She's here. She's available. I want to know if she can be taken now, or whether he plans to use this witness.

CURTIN: My problem in using the witness now. This witness is the witness that started this entire process. I think Mr. Doney testified today the letter on 2-28-96. I believe that we need to lay a predicate, which I have been doing in the six or seven--Ms. Smith has a good count for me--check with her--I think I'm on number eight, Ms. Smith.

SMITH: You're right, Mrs. Lane is number eight.

CURTIN: Okay, we're on number eight, and we've heard some mention from my witnesses that I have called today about some problems that were within the department. We heard the word bad apples, we've heard Ms. Dinehart mentioned by certain people. Now, it's important in the development of that case that those issues be set forth. Now, understand her unavailability--I'm not going to say that it's not going to prevent me, but if the lady has to go, then she has to go, all right, and it speaks for itself. My point is that I wish to go forward and I may need to call her. I'm not prepared right now to set these people aside, because there's a progression to this, and to take that particular witness out of turn--she--Mr. Mariani attempted yesterday to cross examine that witness and to examine her because she was here, and at that time you cut it off.

SMITH: No. No, I didn't. He said I reserve the right to request this witness, and we said certainly. Didn't cut it off.

CURTIN: Correct. All right. We were not permitted to go forward. I believe it was based on an objection that came from the counsel that it was beyond the scope of the direct, and we wanted to go through that witness at that time. All right. It's inappropriate for me now to divert these witnesses and to just throw Dinehart on at this particular point in time. That's all.

RANDOLPH: Excuse me, I've been in a lot of trials, and I've never heard a judge that would not accommodate a scheduling problem because of the order in which someone wishes to go. Plenty of predicate is usually something that the other attorney would argue before someone goes forward. I'll give up any arguments that a predicate has not been laid for the testimony. In fact, I will assume that the witnesses that are going to come forward are going to testify that Mrs. Dinehart is a bad apple, and that Mrs. Dinehart is the cause of Mrs. Crozier's recommendation for dismissal here. And on that assumption, I would ask that they take Mrs. Dinehart out of order.

PHETERSON: But I think that this is a hearing which is attempting to be a fair hearing to determine the issues that relate to the appropriateness of the recommendation to discharge Ms. Crozier. Mr. Curtin, you've been advised of the fact that this scheduling conflict exists. You are a competent attorney. You understand that if--you've stated on the record that if she leaves she's gone. We may conclude the hearing prior to her return to this area. You have this opportunity, and I think this hearing needs to proceed forward in light of the fact that you are fully aware of what the possible ramifications would be of your failure to call her prior to the time that you've been advised that she's scheduled to leave.

CURTIN: Well, I'll take Mr. Randolph's statements--we'll accept those as characterizations of the witness, and then I'll just move on with the progression that I had planned for before.

SMITH: All right, then go right ahead please, Mr. Curtain, with Mrs. Lane.

CURTIN: Thank you. Ms. Lane, you're employed by the Town of Palm Beach, is that right?

LANE: Yes.

CURTIN: And in what capacity?

LANE: I'm their Dockmaster.

CURTIN: And how long have you been the Dockmaster?

LANE: Eight years.

CURTIN: Okay, and as the Dockmaster you--do you know Marie Crozier?

LANE: Yes.

CURTIN: In what capacity?

LANE: In the earlier days of my employment with the Town, I had more exposure to Marie. She was the Assistant to the Director. I believe that was her capacity at that time, and she would be very helpful. Any questions that I might have she would assist me and get me on the right track, so that I wouldn't create any faux pas.

CURTIN: Did you meet her when you first came to theTown?

LANE: Yes, I did.

CURTIN: Okay, and what did she do? Did she sort of instruct you in the bureaucratic process that exists here?

LANE: Yes.

CURTIN: Okay. Could you--I mean, give me a for instance. We need a little humor in this rom.

LANE: Ya. Well, I don't know. Sometimes I would be confused as to what kind of a system that we could improve upon our extensive paper work as it exists, have a balance and double check. When an auditor would come in possibly to look at the operation, how could we improve upon it? So, we did a lot of cross referencing, and she assisted me with that project.

CURTIN: Okay. Do you have an opinion of Ms. Crozier in her professional capacity with the Town?

LANE: With my personal dealing with her, and the persona in which she projects, I look upon her as being very professional and very supportive, as a matter of fact, and she's always been there to--if I had a question asked to me by a superior, and I would have to find the answer, she would drop whatever she was doing and she would assist me in finding the answer.

CURTIN: Okay. Did you have occasion to work with her over the last couple of years?

LANE: The exposures were very erratic at times, because if I had to work on a petty cash--the Town needed petty cash at the docks I was given permission to talk to her about how you set it up and what needed to be done. Also discussing credit card usage at the Marina. That was several occasions. How you could go about it. What the pros and the cons were, and that was about it.

CURTIN: Did she generally deal with you in a professional, responsive manner?

LANE: Oh yes, by all means.

CURTIN: Okay. Do you think Marie Crozier's a loyal employee to the Town?

LANE: I would believe so.

CURTIN: Do you have any reason to believe anything different?

LANE: Not to my knowledge.

CURTIN: From your own first hand dealings?

LANE: Yes.

CURTIN: Did you at any time state an opinion regarding these matters that have gone on that brought us here today?

End of Tape 7

Tape 8 - 5-3-96

LANE: There was-- I referenced -- made a reference to -- I didn't like what was going on.

CURTIN: What did you -- how did you characterize it?

LANE: I have a saying, and I say usually when things are done they'll have theirs. I didn't make a -- I said the two witches will have theirs. It may not be now, but it will be at a future date.

CURTIN: The two witches, huh?

LANE: Yes.

CURTIN: Is that like a witch hunt?

LANE: i.e.

CURTIN: Okay. You were--is it correct to say that you were applying that epithet--the two witches or witch hunt to the matter that brought us here today--to the two people who were instrumental in bringing this before this Council?

LANE: I would say to the two persons that situated themselves to affect a person's life that would with them for the rest of their life.

CURTIN: Who are those two people?

LANE: Mary Fae Dinehart and Leslie Shields.

CURTIN: After you said that--would you say your statement again, so I have it correct. I don't want to--

LANE: I just merely said that I was very disapproving of their actions. I just said--I referred to them as two witches, that's all.

CURTIN: Okay, and these two individuals who you referred to, did either of them, after you mentioned that, confront you about your statement?

LANE: Oh, I was absolutely confronted, and I'd use the word accosted out in front of Town Hall. I mean, I was going--I had delivered my daily funds to the Finance Department, and as I was leaving I was confronted by Leslie Shields and I was getting into my car ready to go.

CURTIN: How were you confronted?

LANE: I want to talk to you.

CURTIN: Okay. What was said?

LANE: She said, you know, you better find out who your friends at the Town are, and I looked at her and I said I don't have any friends at the Town, I just have acquaintances. She goes well, you said--you referenced--you called us two, (excuse the expression) bitches. I said, excuse me, I prefaced two witches. So, after that, she babbled on, and I said, excuse me, I said, you destroyed that woman's life, and I rolled up the window and just drove off. I told her I had nothing to say to her further.

CURTIN: Have you had to deal with these two individuals since then?

LANE: Leslie, no contact. Mary Fae - I do see her on a daily basis, yes.

CURTIN: And what has been the nature of the interaction?

LANE: Well, at first, when she was very jovial and cordial and saying hello, how are you, Karen, and it's like Hi Mary Fae. No problem. But as the days progressed and the persona that was projected from her was like you could cut a knife with the environment, you know, or even a knife wouldn't even go through it. It was like, Hi Karen, how are you, like with a little deceit behind it. She was just trying to do this, and I just--I didn't make eye contact. I just said I'm doing very well, thank you, hand them the financials, and I proceeded to do an about face, and I left, and that's it. That's what's been going on.

CURTIN: You're down there by the park, aren't you?

LANE: I am up on the second floor.

CURTIN: Okay. Did you ever seen Mary Fae down there with Rick Neal?

LANE: Not there. Over at the Royal Poinciana, when I go under the Kapok tree there.

CURTIN: Where's the Kapok tree by the Royal Poinciana? By Bradleys?

LANE: Behind the church, the Royal Poinciana Chapel.

CURTIN: Oh, back there under the big tree?

LANE: Um-hm.

CURTIN: Okay. Do you regard Marie Crozier as an honest person?

LANE: To my exposure and my observation, absolutely.

CURTIN: Thank you very much.

RANDOLPH: Ms. Lane, have you ever lied on a form that you filed with the Internal Revenue Service?

LANE: Negative.

RANDOLPH: Do you know what the--all of the charges that Mrs. Crozier has had leveled against her by the Town Manger in these proceedings today?

LANE: I'm familiar with many of the allegations against her, yes.

RANDOLPH: You have indicated that she is a competent Finance Director. What's your training in finance?

LANE: Oh, I've started about two businesses. I don't have any accounting degrees, but I certainly am savvy enough to balance a million dollar budget over there at the Marina. I think I have a sense of it anyway.

RANDOLPH: Ya, but you're not over here in the Town Hall in the Finance Department?

LANE: No. Nor do I handle thirty-six million dollars.

RANDOLPH: No. And in fact, you're not--you don't work in the same office as Marie Crozier, do you?

LANE: No, I don't.

RANDOLPH: So you don't see what goes on in her office on a day to day basis, do you?

LANE: I'm in there about two to three times a day, and I do catch glimmering hints of occurrences, yes

RANDOLPH: Out of your eight hours -- how many hours a day do you work as Dockmaster?

LANE: Eight to five.

RANDOLPH: So you have an eight hour day?

LANE: That's correct.

RANDOLPH: And out of your eight hours during the day how much of your time do you spend in this Finance Department?

LANE: Well, it depends on how much money comes in. If I collect money in the morning, okay, if there's a certain amount of money and there's too many checks and too much cash hanging around I will bring it immediately to Finance. Whereupon I'm involved with the Retirement Board, and I talk with Mary Pollitt. I go in there to collect certain data, such as a monthly water and electric report, and I work closely with Joan to provide these figures and information for the Buildings and Grounds Manager, and I also pick up my receipts there, and there's a lot of correspondence that comes into the box there. So, in the afternoon, if I have another one to pick up that I have to take in I will go in there in the afternoon by around 3:30 - 4:00 and I'll pick it up.

RANDOLPH: On a typical work day for you, how much time do you spend in the Finance Department downstairs in this building?

LANE: Probably sometimes it's 15 minutes, sometimes it's a half an hour, depending on what I have to do. I try -- if I have to copy things I try to save everything to do at once, all at once.

RANDOLPH: Thank you. So, you know, then, some of the people within the Finance Department that actually work with Marie?

LANE: Yes.

RANDOLPH: And you consider -- I guess you considered Mary Fae Dinehart a witch, and you called Leslie Shields a witch.

LANE: That's affirmative.

RANDOLPH: Okay. How about Debbie Kelly. Do you think Debbie Kelly's a witch?

LANE: No, I had a lot--

RANDOLPH: No, do you think Debbie Kelly's a witch?

LANE: No, I do not.

RANDOLPH: Do you think Lisa Gorman is a witch?

LANE: No, I do not.

RANDOLPH: Thank you very much. I have no further questions.

MARIANI: Excuse me, I object strenuously to Mr. Randolph cutting off the witnesses' answer to that last question.

PHETERSON: I think we stated in the beginning, one counsel address each witness.

MARIANI: I'm just objecting to what Mr. Randolph just did.

PHETERSON: I understand, but--

CURTIN: I'll mirror his objection, excuse me, I was looking for the next witness.

PHETERSON: Any redirect?

CURTIN: Number one, it was not mentioned this witness indicated that she felt intimidated by two people. There was a direct connection for Mr.---

RANDOLPH: I thought he asked her what she wanted to say when I --

PHETERSON: Right. That's what I asked -- do you have any additional questions?

CURTIN: I'm sorry. What were you saying before Mr. Randolph cut you off, can you recall?

LANE: Do you mean to the last two questions -- no and no?

CURTIN: No, to the question I think before that, when he cut you off, if you can recall.

LANE: No, I don't. I just wanted to answer them.

SMITH: All right. Thank you, Ms. Lane.

LANE: Thank you.

SMITH: You're out of paper? Well, maybe you can change it by the time Mr. Curtin calls his next witness.

Mrs. Pollitt, would you like to swear in Mr. Marchman while we're waiting?

POLLITT: Mr. Marchman, will you please raise your right hand? Do you solemnly swear or affirm that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth, so help you God?

MARCHMAN: I do.

SMITH: All right. Are you ready with the paper?

CURTIN: Mr. Marchman, how long have you been an employee of the Town?

MARCHMAN: Approximately 27 years.

CURTIN: And in what department are you associated with now?

MARCHMAN: I am associated with the Police Department in the Parking Control.

CURTIN: And what department were you in prior to this?

MARCHMAN: I was in the Police Department with Parking and Traffic at that time.

CURTIN: Parking and traffic. Have you been with the Police Department during your entire 27 years?

MARCHMAN: No, 23 years, 8 months.

CURTIN: Okay, with the Police Department?

MARCHMAN: Right.

CURTIN: And then before that? I'm sorry, didn't you say 27 years?

MARCHMAN: A total of 27. Twenty-three 8 months I retired, worked 8 days, came back as a Town employee again.

CURTIN: Okay.

MARCHMAN: I had a good job. No sense leaving.

MAYOR: Over my advise, I might suggest.

CURTIN: Parenthetically, don't call Mr. Ilyinsky as a character witness.

Mr. Marchman, you wrote a letter on Marie's behalf dated April 6, 1996, did you not--and I think it was attached to the Crozier's response to the original Doney memo of--Crozier's memo of April the 7th, I believe it is. There's a statement contained in the administrative investigation, which was prepared under Mr. Doney's direction that on December the 29th Marie Crozier made a -- Marie made an obscene gesture in the outer office of the Finance Department in full view of the public counter and several Finance Department employees. Do you recall this obscene gesture?

MARCHMAN: No, I do not.

CURTIN: Do you recall if Marie Crozier ever made an obscene gesture to you?

MARCHMAN: Not to my knowledge.

CURTIN: In your opinion, was Marie Crozier--would it be characteristic of Marie Crozier to make obscene gestures?

MARCHMAN: Well, yes, but, but let's take it in its proper context. You have to know and understand Marie. I don't think I've dealt with Marie in a professional basis, and I personally have never seen, or, I would be a little shocked if that took place. If the obscene gesture was, if I might quote, the finger. You know, that, to me, I don't think that this would happen. I think she's more professional than that. Now, if it was just her and I alone, something like that, it might be different, but that's not the case.

CURTIN: Okay. So, is it your opinion as you sit her today that there was no obscene gesture on December the 29th, 1995?

MARCHMAN: If there was I don't recall it or didn't see it.

CURTIN: Okay. Well, it's stated that this obscene gesture was made in full view of the public counter in the Finance Department.

MARCHMAN: I must have missed something, which is characteristic,-- I can do that to, you know.

CURTIN: Okay. But you have no knowledge as you sit her today that Marie made any obscene gesture to you that day or any other day that you're aware of?

MARCHMAN: Not to my knowledge, no.

CURTIN: Okay. How long have you known Marie?

MARCHMAN: Well, I've known Marie I guess as long as she's been here. If she's been here 22 years I have known her that many years.

CURTIN: Do you generally regard her as handling herself in a professional manner?

MARCHMAN: The dealing that I've had with Marie Crozier have been professional, and that's it. I mean, I have an office and a manager job with the Police Department. When I need something from the Finance

Department if one of the girls can't get it, Marie does, and that's as far as we go.

CURTIN: Okay, so it is fair to say that while you in different departments and located physically separate from her across the street, basically, if I understand it correctly--is that right--you're in the main Police Department, the main Police station, and she's across in Finance, which is this, the building we're located in now?

MARCHMAN: Yes.

CURTIN: So they're located across the street sort of catty corner from each other, correct?

MARCHMAN: Yes.

CURTIN: Would it be your statement that when you have dealt with Marie in her professional role that she has been responsive to your needs?

MARCHMAN: Yes.

CURTIN: Okay. Do you have any reason to believe that Marie would have--there's an accusation here in the report that I believe ties back to you--would she have, in your opinion, behaved in an offensive manner in public or towards the public while on duty?

MARCHMAN: Myself or Marie?

CURTIN: In your opinion, would Marie have behaved in that way, from your exposure to her?

MARCHMAN: I wouldn't think so.

CURTIN: Thank you, Mr. Marchman. No further questions. Mr. Marchman, one other thing. I do want to ask you to identify your April 6, 1995 letter.

MARCHMAN: That's the one.

CURTIN: That's the one. Okay. That's yours, right? Are those statements correct today as they were when you wrote this about a month ago?

MARCHMAN: Ya. Let me add further, if I will. As far as the accusations of belittling, or, whatever. You know, when my mother stopped spanking me is when you stopped belittling me or brought me to task in front of anyone. That's the good part about being a professional manager. You do it for 27 years, and you're professional, and that's as far as it goes. You don't belittle anybody, much less me, and that's what I'm doing here. Because someone said that I was belittled, and that doesn't take place. You may take me behind the chambers, and that's a different story, but you don't do it in public.

CURTIN: So your point is that you were not belittled, is that correct?

MARCHMAN: Not on your best bet.

CURTIN: Okay, and yet there's an accusation concerning Marie relative to you that there was some belittling.

MARCHMAN: I think that person doesn't understand the way Marie operates.

CURTIN: Would you know who that person may be as you sit here today?

MARCHMAN: I was told, and there again just as a name, and that's all I know.

CURTIN: What's that name that you were told?

MARCHMAN: I understand it was Mary Fae.

CURTIN: Dinehart?

MARCHMAN: Well, ya, I--

CURTIN: Mary Fae Dinehart and that's--

MARCHMAN: Yes.

CURTIN: Okay. Thank you.

SMITH: Mr. Randolph?

CURTIN: Ya, incidentally, I'd like to, I'm sorry, Ms. Smith, introduce that letter into the record.

SMITH: Fine, thank you.

SHAW: I think it's already in the packet.

CURTIN: It's in the packet, but I want to make sure that it's been identified as in the record. Just because it's in the packet doesn't mean that it's officially in the record, okay. This is an independent statement.

PHETERSON: It's employee exhibit 6.

SMITH: Right. Mr. Randolph with Mr. Marchman.

RANDOLPH: Mr. Marchman.

MARCHMAN: Mr. Randolph.

RANDOLPH: How much time during the day do you spend in the Finance Department in this building?

MARCHMAN: Well, that's hard to say, because unless I have a reason I don't go there, and I have very rarely had reasons. In other words, if I need to buy more tickets, or something like that, I usually pick up the phone and I'll talk with Linda Jones, and if Linda Jones can't help me she connects me to Marie, and I'll ask Marie for a purchase number or a requisition or is that account proper, and that's my dealings.

RANDOLPH: So, it would be true to say that you're very seldom within that department?

MARCHMAN: Very seldom, yes.

RANDOLPH: And, so you don't really know what goes on in that department on an hour by hour basis, or a day by day basis, do you?

MARCHMAN: I have no idea. I would have no reason to.

RANDOLPH: And you've never had the opportunity, Mr. Marchman, to work as a subordinate to Mrs. Crozier, have you?

MARCHMAN: Well, I think in a sense that maybe I would be a subordinate to her as far as if I purchase a scooter or tickets or there's a change in any of the Town parking procedures, such as a permit or permits being re-done, then I would have to coordinate with Marie's office, but usually I've had more dealings with Linda Jones than I've ever had with Marie Crozier.

RANDOLPH: Who is your supervisor?

MARCHMAN: Major Croft.

RANDOLPH: So Mrs. Crozier is not your supervisor, is she?

MARCHMAN: Oh no, not in any way, shape, or form. I deal with Marie.

RANDOLPH: All right. And you, being a man, don't know first hand what it's like for a woman to work in a subordinate capacity to Mrs. Crozier, do you?

MARCHMAN: Absolutely not.

SMITH: I mean, Henry, you know whether you're a man or not, right?

MARCHMAN: You know, to answer your question, Mr. Randolph, the fact is that what I know of Marie is Marie is a staunch person to be or talk with, but you have to understand that's what she is, you know. I think we all are aware of that. I mean, you have some females that are a lot softer, and you have other females that are a little harder, and we have that in the male gender. You have some males that are soft and some that are strong. What can I say. She's one of the strong class.

SMITH: Well, I wouldn't say anymore Henry. We are not going to poll the Council on this one. Mr. Curtin, anything else for Sergeant Marchman?

CURTIN: Thank you Mr. Marchman.

SMITH: Thank you, Henry.

MARCHMAN: Thank you.

POLLITT: Would you raise your right hand please? Do you solemnly swear or affirm that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth, so help you God?

WEEKS: I do.

CURTIN: Would you state your name for the record?

WEEKS: Jason Eric Weeks.

CURTIN: And you're an employee with the Town of Palm Beach?

WEEKS: Yes sir.

CURTIN: In what capacity?

WEEKS: Fire Rescue.

CURTIN: Okay, Mr. Weeks. And how long have you been an employee with the Town?

WEEKS: Almost two years--about a year and nine months.

CURTIN: Were you on duty in one of the Fire Stations approximately a week or ten days ago when Assistant Fire Chief Neal addressed a presentation to the firemen that included statements concerning Mrs. Crozier?

WEEKS: Yes sir.

CURTIN: And did you--do you recall as you sit here today the nature of those comments?

WEEKS: Yes sir.

RANDOLPH: Excuse me, I would like to make an objection to this testimony that has come about a week or ten days ago in regard to something Mr. Neal said in regard to Mrs. Crozier. I'm not sure of the relevance of that since it has come so far after the recommendation that was made by Mr. Doney to discharge Mrs. Crozier. I don't see how that would possibly deal with the merits of the case that is before you. If indeed this is intended to get into the issue that Mr. Curtin tried to get into earlier then--relating to intimidation--then I object.

PHETERSON: Is that--is that where you're going Mr. Curtin?

CURTIN: No, well, no I'm really dealing with an issue of statements that were made to Town employees by an officer of the Town that they were required to be at, which were so colored of a nature that they would influence people's attitudes towards Marie Crozier prior to coming here. Some of these--and I'd like to be able to explore the nature of those statements as to their--this gentleman's impression concerning their truth and veracity.

PHETERSON: It sounds, it sounds to me as though you've just stated that it does not relate to the merits of this case, but rather relates to your due process type concerns. You know, the, what I think your word was suppression--the suppression issue, from your perspective.

CURTIN: Well, I guess I'm--

PHETERSON: In other words, this was a subject of Ms. Still's investigation, correct?

CURTIN: No, Ms. Still's investigation included some of this information, I think, or at least--I mean, the two are inter-related. I don't how you distinguish--Randolph wants--Mr. Randolph wants to distinguish. I don't know how you distinguish that, but I mean the issue is--the issue is the statements that were made and this gentleman who knows Marie Crozier. I think he has to--he has heard statements that were made to him, and the question is whether those statements accurately reflect his observations about Marie Crozier, or whether he has separate independent attitudes or positions concerning his exposure to Marie Crozier, because Marie Crozier's honesty was placed in issue by Mr. Doney in his direct testimony today. That's one issue I wish to address. So, can this gentleman--I think I need to pursue this in order to address his knowledge of Mrs. Crozier versus the statements that were made to a series of Town employees--some 70 in nature, I understand. I think there are 70 guys in the Fire Department.

RANDOLPH: Excuse me, I think what is important is this gentleman's feelings about Mrs. Crozier, not what someone else said about Mrs. Crozier as far as this hearing is concerned. I think we're presenting character witnesses. I have no objection to this gentleman telling us his feelings relating to Mrs. Crozier. I do not see the relevance at this hearing of what somebody said--else said to him about Mrs. Crozier in an attempt to color his statement.

PHETERSON: Well, as I understand it, you're talking about the Assistant Fire Chief. I might have the positions wrong. I think he's the Assistant Fire Chief--not a department head.

CURTIN: No, I'm saying--that's correct, it's the Assistant Fire Chief--he's one down from the department head.

PHETERSON: Correct, so that, but my question is you're--you're going to--in order--you're, you're going to have to elicit hearsay testimony as to what he said to get that into the record, and then get his reaction to that.

CURTIN: But, we've been allowing hearsay all along. Why would we suddenly be objecting to hearsay? We've got two days of hearsay, almost nothing but hearsay. The whole Doney report is hearsay. That's what we're here about.

PHETERSON: My--what I'm attempting to do is just try to understand why you don't--why you don't find out what his opinion is based on his observations first, and then ask him to contrast that with what he perhaps otherwise heard, but it seems like you're starting--well, you're starting---the way you started this whole thing out didn't know we were going to get any further than this other testimony. I think then, we'll see how the questions go at that point.

CURTIN: Okay. Good recommendation.

Do you know--how long--Mr. Weeks, how long have you known Mrs. Crozier?

WEEKS: About since I got hired here--since I started working, about two years--a year and nine months.

CURTIN: About two years, okay. And, have you known her in a professional capacity?

WEEKS: Yes sir.

CURTIN: Okay. Do you know her husband?

WEEKS: Yes sir.

CURTIN: Okay. Do you work with--have you worked with her husband?

WEEKS: Yes. He's worked for me too, on the outside, doing stuff.

CURTIN: Okay. Have you been on the Fire Squad with Bob at different times. Have you been on the same rotation?

WEEKS: I've worked on his shift since the day I got here with him, until he retired.

CURTIN: Okay. And have you come to know Marie in her professional role with the Town of Palm Beach?

WEEKS: Yes sir.

CURTIN: And have you also come to know Marie through your association with Bob on a private basis?

WEEKS: Yes sir.

CURTIN: Okay. And do you have an opinion based on that as to Marie's sense of professionalism?

WEEKS: I don't see--I think she's great. I mean she's helped me with my business before. She's, you know, we spent Christmas with them this year. I mean, I just think they're both great. I don't really--

CURTIN: What is your opinion--I'm sorry--

WEEKS: I don't see nothing--you know, nothing wrong with her.

CURTIN: What--what is your opinion of Marie professionally within the Town--do you know of her--

WEEKS: I know she's, you know, does her job, as is dealing with her every day, I haven't, so--

CURTIN: Is she generally well regarded in the Town among the employees?

WEEKS: Oh yes, yes, definitely.

CURTIN: Is she considered a competent person from your perspective?

WEEKS: Yes. Everybody I've talked to has said a lot of high things about her. So--I've never heard one bad thing--.

CURTIN: Okay. Are you a little surprised to find her in the circumstances she's in?

WEEKS: Yes, extremely.

CURTIN: Do you think that Marie Crozier's an honest person?

WEEKS: I think so.

CURTIN: Do you have any reason to believe that Marie Crozier's a thief?

WEEKS: No, not at all.

CURTIN: Do you know Marie Crozier's children?

WEEKS: Very much.

CURTIN: Have you had exposure to her kids?

WEEKS: Ya, every time we've been with them--you know, we go out they've brought the kids with them.

CURTIN: Is she a pretty family oriented person?

WEEKS: Oh ya, I'd say. Out most of the kids that I've known that are their age kids they're better acting than a lot of kids nowadays.

CURTIN: Do you know her in her role at St. Luke's at all?

WEEKS: No, we've been there and seen them do work there before, and it seems like everything's run good there before.

CURTIN: Would you say that Marie Crozier, in your opinion, based on both your professional exposure to her and your personal exposure to her, has a pretty high degree of integrity?

WEEKS: Yes, I would say she does.

CURTIN: Okay. Did you hear some comments made to you in your line of duty that you found objectionable concerning Mrs. Crozier--

RANDOLPH: And I repeat the objection made earlier. Excuse me.

I don't understand the relevance of that question.

CURTIN: Right. I think--my question wasn't done yet, and he's objecting. I--we know about his--I was tying this in, okay, for--

RANDOLPH: Excuse me, please complete your question.

CURTIN: I would like to, Skip.

RANDOLPH: And I ask--

CURTIN: Are you going to withdraw your objection until I can complete it?

RANDOLPH: No, I ask that you would excuse me and complete your question.

CURTIN: Okay, Skip, I'll excuse you and I'll try to complete my question.

Could you read back my question?

COURT REPORTER: Did you hear some comments made to you in your line of duty that you found objectionable?

CURTIN: Concerning your knowledge of Marie Crozier and her honesty?

RANDOLPH: And again, I would like to repeat my objection. This has no relevance to this hearing today. This witness has testified as to his knowledge as to the character of this witness. If he has other people that he wants to testify that have a contrary opinion, then let him bring them in, but it is no way relevant for this witness to testify that he's heard other things.

SMITH: Go ahead Mr. McDonald.

McDONALD: I would tend to agree with Mr. Randolph.

CURTIN: Well, if Mr. Weeks can't answer that question, that's a graphic example of suppression. I think that this makes it--either Mr. Weeks answers that question or this is a suppressive hearing.

McDONALD: Mr. Curtin, I totally disagree with that. Just because--if a tribunal denies you your ability to pursue a certain question your belief is that's suppression?

CURTIN: Oh, I think Mr. McDonald that's a gross misstatement of the question that I just asked.

McDONALD: Okay. Well, let me ask Mr. Weeks a question then. Mr. Weeks, you indicated that you know Ms. Crozier on a professional basis?

WEEKS: Yes sir.

McDONALD: Can you tell me in your capacity as a fireman for the city, how you deal with her on a professional level in that job?

WEEKS: With questions of finance or anything like that, you know, with--I've been down there--

McDONALD: Are you involved with finance with the Fire Department?

WEEKS: No.

McDONALD: So you would have questions for Mrs. Crozier relating to your job as a Town employee?

WEEKS: Well, I had, like a tax, or something question that she's helped me on. Or, like I had to go down and get my W-2 typed out, and I've always been--it was given to me right away. I never had any problem where directly to me that I've had a problem with it.

McDONALD: Okay. But this isn't Town business, is that correct?

WEEKS: Excuse me?

McDONALD: You had no relationship with her regarding Town business, is that--

WEEKS: Well, that is my W-2 for the Fire Rescue. I've had to deal with that.

McDONALD: But I mean in terms of--okay, other than that--anything other than that?

WEEKS: Not an everyday, no not an everyday personal, I mean a business type thing of everyday going down and deal with her--no, I haven't, but a here and there thing, well, like W-2s or taxes or questions like that, then she's helped me out with.

McDONALD: Okay. Do you feel you've had an opportunity here today to state your opinion regarding Mrs. Crozier?

WEEKS: I would say I have. I mean, as far as-- I feel that it's bad. I don't believe any of this stuff that's happened. As far as I'm concerned, and I think both of them are great, I mean--

McDONALD: Okay, and you feel that you've had the ability to express yourself regarding her character?

WEEKS: Pretty much, I mean, I, you know.

McDONALD: Okay. Thank you.

SHAW: Wouldn't you go to the Personnel Department to assist you with Town forms or federal forms involved with your employment, and not go to a manager of a department that you're not affiliated with?

WEEKS: Well, I just got a copy of my W-2, and that's who--they hand them out, and I picked it up there. I called and asked to find out where I'd get it and they said you call Finance, and I just, I mean I just went down and got a copy. They typed it back out for me and stuff.

RANDOLPH: May I follow up with one question in regard to Mr. McDonald's line of questioning, Mr. Weeks, you indicated that you were testifying freely and that you felt--you believed strongly in all of the things that you've said today. Would it be true that no matter what anyone else told you to the contrary in regard to that that you would still come forward today and say the things that you've said today?

WEEKS: I--what do you--can you repeat that?

RANDOLPH: If anyone told you things to the contrary about Mrs. Crozier, that you would still come forward today and tell this panel the things that you told them today?

WEEKS: Well, I'm going to do what I believe is right, or what I know. I'm not going to go by what anybody tells me.

RANDOLPH: That's right. So, no matter what anybody tells you, you're going to come forward today and tell the truth.

WEEKS: Well that's why I'm here.

RANDOLPH: That's right. Than you.

SMITH: And that's what he's already said. He thinks Mr. and Mrs. Crozier are the best, and you're here today and you told us that.

WEEKS: Yes ma'am.

SMITH: Right?

WEEKS: Yes ma'am.

SMITH: Right. Okay.

CURTIN: And I think you've also testified that Mrs. Crozier in your opinion is honest.

WEEKS: Most honest, I would say.

CURTIN: And did you hear--was a statement made to you that you believe implied that Mrs. Crozier was dishonest?

WEEKS: Yes, I would, as far as my opinion is of her.

CURTIN: Okay, and was that statement made to you when--

RANDOLPH: Excuse me, excuse me, I'm going to make the same objection. I don't believe that these questions are relevant to this witness. This witness has already said that no matter what anyone else said to him about Mrs. Crozier, he would disagree with that and come forward today and tell the truth as he has done here today. I do not see how it is relevant if someone else has said anything to the contrary.

CURTIN: I think we've heard Mr. Randolph on that and I think given the texture of what we've permitted in to date I would request that this witness be permitted to continue to testify.

McDONALD: Mr. Curtin, I think it's just another effort to get the intimidation issue in. It's just another way to do it, and that's my feeling, and that's why I've asked him directly if he feels he's been able to come here and state his opinion and say what he feels and believes, and he's indicated he has.

CURTIN: He's stated what he feels and believes about Marie Crozier and her husband. He has not stated what he--what his reaction is to an incorrect statement and whether or not that incorrect statement was made to him in his line of work as an employee of the Town by a superior employee of the Town, which contained, in his opinion, misrepresentative information, and I believe that that's relevant.

McDONALD: Okay, we just disagree on the relevance, so perhaps maybe we should poll the Council and see if we want to let this testimony in. I can't agree with it.

PHETERSON: Okay, just so we're clear in terms of the timing. The questions you're asking him now are for a per-- for this period of time which is in roughly within the last two weeks.

CURTIN: Correct.

PHETERSON: Okay.

SMITH: And the question is whether or not--

CURTIN: He's going to be allowed to answer.

SMITH: Mr. Weeks feels intimidated in speaking about the Croziers--

CURTIN: No, no.

SMITH: Because obviously he doesn't. Don't say no. Obviously he doesn't because he's here today and has given us his very honest opinion of his friends, and he's speaking freely before the Council, aren't you?

WEEKS: Yes ma'am.

SMITH: Yes, he is speaking freely before the Council today.

CURTIN: He's spoken freely until now, and he has more to say, and he's not being permitted to say that.

SMITH: But he's given us his opinion of Mr. and Mrs. Crozier.

CURTIN: To date.

SMITH: And we are here today to give Marie a due process hearing.

CURTIN: That's correct, and--

SMITH: Whether or not, whoever it is you're talking in the Fire Department, made a statement that is not part of the proceedings today.

RANDOLPH: Let me just say also that because of the back and forth nature of the testimony today and yesterday, I would have no objection to questions such as if someone else had said Mrs.Crozier was dishonest, would you agree or disagree with that statement. If someone else said Mrs. Crozier belittled people would you agree or disagree with that statement. I absolutely have no objection to that line of questioning, because we have had that line of questioning throughout this hearing. I think something else is being attempted to be done by the questions in the way that Mr. Curtin has asked them, and I don't want to see this counsel denied due process. I want all of these witnesses to come forward and speak freely, and I don't want to see this record attacked because anyone claims that due process has been violated. But we're here to talk about things that are relevant to this hearing today, so I want to make it clear that I have no objection to Mr. Curtin asking this witness if he would disagree with other characterizations of her, but I do not want him trying to do something other than that, and I think that's what he's trying to do.

CURTIN: I would object to Mr. Randolph's characterizations. I believe that there are--there was a predicate laid on the issue of honesty by this gentleman, and I believe Ms. Smith, until Mr. McDonald objected, you were going to permit this to continue forward. I thought that the ground rules for this hearing as stated by Mr. Pheterson were that we were going to run this like a 120 hearing. That objections could be raised to points of evidence, but that there would be no suppression, and at a later time these matters can be--there is a record being made, and they can be deliberated on. We have not interposed continuous objections, and under a 120 hearing I believe the rules were that the rules of evidence were going to be somewhat liberally construed to permit testimony to come in. Most of the evidence that has been presented to date has been hearsay. The entire Doney report is fundamentally hearsay. We have not heard from one of the two accusers. We have not heard from the Town Personnel Director, who are part of the development, and yet the report has been allowed to come in and this Council sat for two days in this tedious process concerning that. So to not permit this witness to answer at this point I believe taints the process, but that's your choice.

SMITH: Mr. Pheterson, would you like to speak to that?

PHETERSON: The statement that I made as will be reflected by the record was that hearsay objections, just the pure hearsay objection, generally would not in an administrative hearing--would not prevent a person from testifying because sometimes there are--there would be competent substantial evidence that would come into the record at a later time and that earlier hearsay may in fact corroborate some later competent substantial evidence on a material issue. The question here is not the hearsay nature as much as it is it doesn't relate to a material issue. This, this--as I understand it you're attempting to induce testimony that would relate to events which occurred after the decision was made and events that would really fall squarely into the center of the issue that you raised at the first session of this hearing, roughly a week and a half ago.

CURTIN: Well, you and--

PHETERSON: So, that's, I think so, so--because everyone on the Town Council is not an attorney, I want to make sure that there's --it's--there's a distinction there and that they're aware of that.

CURTIN: There have been a number of items raised. One of the items, for example, that was testified to is that since the report was delivered to Mrs. Crozier on either the 4th or the 15th, the second version, that she's has not tendered payment on the alleged $62.00, and this is testified to that as of this date, or as of yesterday, I think someone testified to it, so there has been testimony concerning events that have gone--that have transpired since the delivery of the report of the administrative report. So I don't follow that part of your objection, Jeff, and I do believe that if you want me to talk about his state of mind concerning--I was assuming this was a hearsay objection. I thought that that's where Mr. McDonald was going. Is it hearsay tied into relevancy--relevancy to this proceeding?

PHETERSON: Relevancy going to the effect that it does not relate to what would be--what has been characterized from the beginning as the merits of this case, which are the actual charges as stated in Mr. Doney's correspondence--memo.

CURTIN: Well, I have raised--those are the charges presented by Mr. Doney. I have, in fact, raised the issue as stated in the April 22nd letter, the issue of intimidation. So that is, -- the witness has brought that--Mrs. Crozier has brought that to the table. That is part of--as a matter of fact we did have one tribunal that was continued because of that--one meeting of this tribunal that was continued because of that. So, that is an issue in these proceedings. It was ruled upon by this Council, but to prevent me to go forward on this issue of honesty as it implies to this particular witness and the issue of whether or not there was--his impression of what was stated to him I think would be denying our right to proceed appropriately to establish the truth in this matter.

RANDOLPH: And I would like to state once again what I have no objection to. In fact, I will ask him these questions if Mr. Curtin does not. I have no objection to a question being asked--if someone else has impugned the integrity of Mrs. Crozier--

PHETERSON: Well, why don't we--if there's no objection why don't you simply ask those questions at this point, since we've already gone--

CURTIN: Okay, and then we can reserve the objection.

Mr. Weeks--

RANDOLPH: The line of questioning that I would not object to is if someone else has impugned the integrity of Mrs. Crozier in your presence, would you agree with that individual?

WEEKS: No.

RANDOLPH: If someone else has impugned the honesty of Mrs. Crozier would you agree with that individual?

WEEKS: No.

RANDOLPH: If someone else indicated to you that Mrs. Crozier created a hostile work environment would you agree with that individual?

WEEKS: No.

RANDOLPH: If someone else told you that Mrs. Crozier was a liar would you agree with that individual?

WEEKS: No.

RANDOLPH: If someone else told you that Mrs. Crozier was a thief would you agree with that individual?

WEEKS: No.

RANDOLPH: If someone else told you that she was guilty of a felony would you agree with that individual?

WEEKS: No.

RANDOLPH: Thank you I don't have any further questions.

CURTIN: Okay, so I'll proceed with my question. What was your reaction to the comments that were made to you by Neal?

SMITH: Have those comments been entered into the record? I mean--

CURTIN: No, I've been prevented from doing that. I've been seeking to do that, and now I'm going to get to his state of mind when the comments were made.

SMITH: But did you call Fire Chief Neal as one of your witnesses?

CURTIN: Yes I did. Yes I did, and he's not available.

SMITH: Well, don't look at me, Mr. Curtin, I didn't tell him not to be available.

CURTIN: You're right, but I did ask Mr.--

SMITH: Peace, peace, right.

CURTIN: He's one of the people that we requested to have here, and he's not available.

RANDOLPH: Let's get that straight on the record. I advised two nights ago Mr. Curtin that one of the witnesses that he included on his witness list, a Mr. Neal, Mr. Rick Neal, was not going to be available because he was out of State. I indicated in the letter the facts that I sent to Mr. Curtin that--please advise me that he needed Mr. Neal so that I could make arrangements to have him come back for this hearing. I heard nothing from Mr. Curtin. Then I spoke to Mr. Curtin a second time and indicated I had not heard from you in regard to whether or not you want to use Mr. Neal. In fact, this was last night in a telephone conversation. He told me that he did not intend to call Mr. Neal to this hearing.

SMITH: Do we have two lawyers not communicating here?

CURTIN: I think that's perhaps, at least on this point, we certainly do. I do believe we raised Mr. Neal last evening and we discussed the prospect of he's apparently at Daytona at a conference, and the only way he could participate was by conference, and I did not feel that was appropriate. Therefore, I am going into this line of inquiry with this particular witness, since he is physically unavailable, and a conference call wouldn't do it. I mean--furthermore--

PHETERSON: Did you receive the first letter that was noted by Mr. Randolph by facsimile transmission?

CURTIN: I sent a letter to Mr. Randolph stating that I needed--

PHETERSON: Could you--did you receive --

CURTIN: I got a letter yesterday from I think from Randolph, from Skip Randolph, saying that Neal would be unavailable. We did just speak last night about what arrangements could be made, and the only--he couldn't be produced other than by conference call.

RANDOLPH: It was two nights ago that I faxed this letter to Mr. Curtin. I advised him to let me know so that we could make arrangements-- the Town was prepared, as we had flown Mary Fae Dinehart back to fly or have Mr. Neal drive back for this hearing. When I did not hear anything from Mr. Curtin in regard to whether or not he wished us to make arrangements, I advised him again last evening, since he was going to present his case today to tell me what he wanted to do in regard to Mr. Neal. At that time, I told him if he wanted we could make him available by telephone. He said I am not going to use Mr. Neal.

CURTIN: No, I said, Skip, I did not want to use Mr. Neal via a conference call. I wanted--I mean, if we have Neal, we have Neal. I did not say--I said I did not want Neal via a conference call at noon time. Your indicating was he could phone in, and I said--

RANDOLPH: Perhaps there was some miscommunication.

CURTIN: And perhaps there was.

RANDOLPH: I told you we had to let Mr. Neal know at noon today whether or not he needed to be available. You told me he did not need to be available, so we did indeed talk to him at noon today to see if he was going to be available, and indeed, he would be available to you, and--

CURTIN: Excuse me, I told you--

RANDOLPH: Excuse me, why don't you let me finish my statement.

CURTIN: Okay, go ahead, I'm sorry, go ahead.

RANDOLPH: He indicated that even as late as noon, that he would be available by phone, and--

CURTIN: By phone is not the same, you understand that, I think.

RANDOLPH: I do under--I understand that the phone is not the same, Mr. Curtin.

CURTIN: Okay. Okay. So, therefore, we won't--and as a matter of fact, I told you last evening that I intended to call these six people, and you said well, I may need to call Neal, and I said do what you have to do, Skip.

RANDOLPH: That's true. That's exactly right.

CURTIN: Okay? Isn't that what I said?

RANDOLPH: Ya, indeed, when he told me that he did not need to use Mr. Neal on his case and he told me that he was going to use people within the Fire Department to testify as to what people said, I indicated that, well, maybe I'll have to use Mr. Neal on rebuttal.

SHAW: Mr. Curtin, are there other people that can support your position as to what Mr. Neal has allegedly said to the employees?

CURTIN: Yes, that's one of the things this gentleman is here for.

SHAW: Okay, no, but are there other people?

CURTIN: Yes.

SHAW: Okay, so therefore, really what has already been said was that whatever Mr. Neal had said has not affected this witness in any way. He's making up his own mind on what he believes is the truth, what he believes is the correct way of approaching this. If you have other witnesses along that line I would like us to go forward with that and see what other people have to say.

CURTIN: Well, I guess we're pausing here because if I have, I think three or four other witnesses on the same point. Now, if I'm going to be prevented from finishing my direct examination of Mr. Weeks as to what his state of mind was concerning the statements that were made to him, then I believe--I'm not sure that the full and fair and open hearing that I was guaranteed we would get here is being accorded to me, because I don't believe--I think that you can weigh the evidence, just as you weighed the Doney material, but I think that this gentleman ought to be allowed to say what was said to him and his opinion of that. Now, it's truth and veracity, you weigh it for yourself, but why would you want to not have that presented in the tribunal, given the rather lenient rules of evidence that have been invoked today? What is the issue that we are attempting to suppress? What are we afraid of?

SHAW: I don't think we are afraid of anything. I think what we're interested in is what Mr. Weeks' opinions are, and he's expressed his opinion of his feelings on this issue.

CURTIN: Well, but he's expressed his opinions of his feelings. He hasn't expressed the facts. Thats--I think this was--part of this mission is a fact finding mission. I think he had statements made to him which influenced his opinion. Now because of these statements he felt very strong about coming in here to testify, but the statements were made to him, and I think that their impact on him I think he should be permitted to discuss.

RANDOLPH: May I voir dire them?

SMITH: Please.

RANDOLPH: Did anything that Mr. Neal said to you change what you would have said before this Council today?

WEEKS: No, I don't think it changed it. It might have worried me a little bit, but it didn't change.

RANDOLPH: Thank you very much.

CURTIN: Well, then, let's talk about his worry.

SMITH: Mr. Curtin, if the whole point here today is to--for Mrs. Crozier to have a full and open hearing here. And this is not a laughing matter. This is a very serious matter--I mean, that affects everyone here in the Town--

CURTIN: It certainly is.

SMITH: And it certainly affects the Town Council. Many of us on the Town Council have worked with Mrs. Crozier and staff for many, many years. Mr. Marchman and your parade of witnesses that have come up here, so we are trying to afford a full and open hearing here. If Mr. Weeks says it might have worried him a little bit, I could say that some of the things that have been said here today worry me a little bit, but he spoke freely and openly of his high regard for Mrs. Crozier and I feel that I could do the same, and any remarks that the Fire or Assistant or whatever it was, Fire Chief made I don't really feel are relevant to the ongoing of this case. You are presenting a defense to what you say is a hearsay memo of Mr. Doney's, and presenting a good case, and please bring forth as many witnesses as you want, but not on who said what to whom-- when Mr. Weeks has already testified and said that he felt really quite good and comfortable about what he said; isn't that what you said, Mr. Weeks?

WEEKS: Yes, ma'am.

SMITH: All right. Thank you.

WEEKS: Can I add something to it?

SMITH: Sure can.

WEEKS: I mean I have a business on the outside too, and if I had to have someone run my business with money or anything, and I even asked them to take care of it, but she's busy and they were even going to have their son do my business and stuff too, and I would trust them with everything I had is about what I feel about them.

SMITH: Well, I think that's a pretty high recommendation, Mr. Weeks, and I can't imagine what more you'd want to elicit, Mr. Curtin, that would be stronger than that.

CURTIN: As to his testimony to Mrs. Crozier, obviously that's correct. However, what has happened here is that between the Town Attorney diverting it, the Council taking over, I have not been able to conclude the factual presentation by this witness. I have not been able to go through the detailed process. We have been diverted from the line of questions that I think are required to establish not only what this witness heard or said. Mr. Weeks was strong enough, now--all right, --

PHETERSON: Mr. Curtin, what's the next question?

CURTIN: I didn't think I was being permitted to ask that, but if--

PHETERSON: Well, ask the question and then we'll see where we are.

CURTIN: Okay.

PHETERSON: Rather than have a dialogue.

CURTIN: Mr. Weeks, based what Mr. Neal said to you, did you believe that he misrepresented facts concerning Mrs. Crozier and her honesty?

RANDOLPH: Objection. I don't see the relevance of that question to this witnesses testimony--whether he believed that it was misrepresented.

CURTIN: Okay, so now, is it permitted in or not. Objection stated, Jeff, let's go, come on.

PHETERSON: Do we need to poll the commission on this, or would you simply defer to me?

McDONALD: No, let's resolve--poll--let's resolve it--poll us if that's what you need to do, but let's resolve it so we can move on.

SMITH: All right, we'll poll the Council. Mr. McLendon?

MAYOR: Do we know exactly what we're polling?

PHETERSON: Whether or not the witness will be permitted to answer that question.

McLENDON: I will support our counsel, no.

SMITH: No. All right, Mr. McDonald?

McDONALD: No.

SMITH: Mr. Shaw?

SHAW: No.

McDONALD: All right, then let's move along.

SMITH: All right. Next question, Mr. Curtin.

CURTIN: Okay, I'll reserve on that issue--reserve the right on that question. Did you prepare a statement--a statement concerning your impression of statements that were made to you?

WEEKS: Yes.

CURTIN: Did that statement include that you felt intimidated by the statements that were made to you by commissioner Neal?

RANDOLPH: Objection. I think we've already been through this time and time again. It does, indeed now, I see relate to the intimidation factor. This witness has said he has told the truth. He is not intimidated in coming forward and you've heard everything that he has to say, and no matter what anyone else said about Mrs. Crozier he would not believe it.

McDONALD: Mr. Curtin, I would encourage you to move off this subject of intimidation and go ahead with your case.

CURTIN: Okay. Thank you Mr. Weeks. Thanks very much for coming.

SMITH: Wait, wait, wait, Mr. Weeks.

CURTIN: Oh, I'm sorry, go ahead.

SMITH: I mean, please.

WEEKS: Okay.

RANDOLPH: Mr. Weeks, you've been with the Town for a year and nine months?

WEEKS: Yes sir.

RANDOLPH: And you know Mr. and Mrs. Crozier socially as well as professionally?

WEEKS: Yes sir.

RANDOLPH: And you have a very high regard for them.

WEEKS: Very high.

RANDOLPH And but you don't work within Mrs. Crozier's department, do you?

WEEKS: No, I don't.

RANDOLPH: And you're not a subordinate to Mrs. Crozier are you?

WEEKS: No I'm not.

RANDOLPH: And you don't see what goes on on a day to day basis over in the Finance Department, do you?

WEEKS: No.

RANDOLPH: Thank you, I have no further questions.

SMITH: All right, thank you. Mr. Curtin, any further questions for Mr. Weeks?

No. Thank you very much Mr. Weeks.

(Short break was taken)

SMITH: I can't see in the back of the room. Mr. Curtin, is that you?

Mr. Curtin? Mr. Curtin? I think in a great many instances people might feel that there is some cover up going on here. So, if you wish to question your witnesses on what they heard, or what was said by Fire Chief Neal to any members of the Fire Department, please go right ahead.

CURTIN: That's a change then from where it was--

SMITH: That was a change from five minutes ago.

Take as much time as you need to get your people, and I see Mr. Weeks in the back, so he can come back.

CURTIN: May I go ahead with this witness, if you wouldn't mind, because he has--this is his anniversary and I--his wife is threatening to leave him if he--

SMITH: God forbid that he get intimidated by his wife--that is intimidation. So you go right ahead with him Mr. Curtin. That is a threat.

CURTIN: Would you please state your name for the record?

HELD: My name is Gary Held.

SMITH: All right, and you have to be sworn in, please.

POLLITT Mr. Held, would you please raise your right hand? Do you solemnly swear or affirm that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth, so help you God?

HELD: I do.

SMITH: How do you spell your last name, please?

HELD: Held--H- E -L- D.

SMITH: Thank you.

CURTIN: Could you please state for the record how you're employed, please.

HELD: I'm an independent contractor for the Town of Palm Beach. I provide software services, and I've been doing business here for 16 years.

CURTIN: And do you do work with the Finance Department?

HELD: Mostly the Finance Department.

CURTIN: Okay. Do you do work with any other departments?

HELD: I have done some work for some of the other departments.

CURTIN: What other departments? Just mention one or two.

HELD: I've done some work for Personnel and the Fire Department and a little bit for the Police Department.

CURTIN: And you're president of Software Sharing, Inc.?

HELD: That's correct.

CURTIN: Okay. In your capacity as a provider of services to the Town in the software area do you have occasion to deal with Marie Crozier?

HELD: Yes, she is one of my main contacts.

CURTIN: And how frequent do you deal with Marie?

HELD: It varies, depending on the work that needs to be done, but I'm in Town usually an average probably of a couple of times a month anyway.

CURTIN: And for what duration of time?

HELD: Sometimes I'm in for an hour. Sometimes in for a day.

CURTIN: Okay. So you come for what--to set up the new computer system or to deal with ones that they already have?

HELD: Ya, deal with the programs that they already have, making modifications and enhancements, and sometimes new programs.

CURTIN: Okay, and these relate to the Town's financial packages--financial computer packages?

HELD: That's correct.

CURTIN: Based upon that, have you had sufficient exposure to Ms. Crozier to form an opinion concerning her sense of professionalism?

HELD: Yes, I have.

CURTIN: What is your opinion?

HELD: She is very professional, and dealing with several companies out there I can compare notes, and Marie has always handled herself very professionally.

CURTIN: Do you find her to be knowledgeable?

HELD: Very knowledgeable.

CURTIN: Is she knowledgeable in the area of computer finance or computer financial matters?

HELD: Yes she is.

CURTIN: Is she--is she responsive when you are dealing with her?

HELD: Very responsive.

CURTIN: Do you have an opinion concerning Ms. Crozier's loyalty to the Town, based upon your experience with her?

HELD: I've never seen anybody else more loyal.

CURTIN: Is Ms. Crozier a hard worker?

HELD: Extremely hard.

CURTIN: Does she put in long hours?

HELD: I've seen her here after hours and before 8:00 in the morning several times.

CURTIN: Do you have any--when you do your work here do you work in the Finance Department?

HELD: It depends on the availability of office space; sometimes it's downstairs in the Finance Department; sometimes it's upstairs in the IS department.

CURTIN: Do you have exposure to other people in the Finance Department when you come here?

HELD: Yes I do.

CURTIN: Like--would you mention a few other names?

HELD: Most of the girls in there--Joan, Pam, Linda, Kathy--

CURTIN: Could you mention some last days as you do that, Jim?

HELD: If I know them all--Mary Dinehart, Joan Dunn, Linda Jones, Kathy Wall, and Lisa Gorman.

CURTIN: Okay. Do you deal with each of them in turn as part of this service that you provide to the Town?

HELD: I deal with them off and on, correct.

CURTIN: Okay. In your opinion, does Marie Crozier, or her department--have you seen any evidence of her creating a hostile work environment in that department?

HELD: No. Not at all.

CURTIN: Would you give us--would you amplify on that?

HELD: You know, just--I had the situation to come into the Town many times. In the industry I'm in there's a lot of times when, if you have a problem with the computer, you're running payroll, checks are due at 3:00--2:00 is here. We got a major problem. Well, a lot of times I'll get called in if it's something they can't handle themselves, and having to deal with stressful situations like that dealing with Marie, she's always handled herself very well.

CURTIN: So under stress you've seen no indication of her creating a hostile work environment?

HELD: Oh, absolutely not. I mean she wasn't smiling and I wasn't smiling, but we weren't happy about the situation, that's all I could say, but there was no nonprofessionalism involved.

CURTIN: She's not the type of person who chokes under pressure is she?

HELD: No.

CURTIN: Does Marie seem to have in general an easy rapport with her staff?

HELD: Appears to, ya.

CURTIN: This is now as an outside contractor, correct?

HELD: That's correct.

CURTIN: Do you have an opinion of Marie as to her honesty?

HELD: Absolutely. She appears to be totally honest.

CURTIN: Has that been from your own experiences dealing with her?

HELD: Absolutely.

CURTIN: Would you regard Marie Crozier as a thief?

HELD: No way.

CURTIN: No further questions, thank you.

RANDOLPH: Mr. Held, are you friendly with the Croziers?

HELD: Pardon me?

RANDOLPH: Are you socially friendly with the Croziers?

HELD: I do see her husband outside of the office, probably twice a year.

RANDOLPH: All right. And so the opinions that you've formed that you've advised us on today are based upon your observations of being in the Town a couple of times a month, correct?

HELD: That's correct.

RANDOLPH: Okay. Obviously, you've never worked as a subordinate to Mrs. Crozier, have you?

HELD: Technically as an employee, no, but I have been responsible to her in a lot of the projects over the years.

RANDOLPH: Okay. Thank you. No further questions.

SMITH: Thank you.

POLLITT: Mr. Wearn, would you please raise your right hand? Do you solemnly swear that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth, so help you God?

Yes.

RANDOLPH: I would simply like to make a statement, and not an objection at this time. Mr. Curtin has asked that I give him a list of witnesses, which I did, and he gave me a list of witnesses. Mr. Wearn has not appeared on any list that has been given to me to date. I just wanted that known for the record, since we're talking about due process, and I have no objection to Mr. Wearn testifying.

SMITH: All right. And Mr. Curtin, I wonder why you didn't tell Mr. Wearn that yesterday the order was given that witnesses be sequestered outside and not be present in the hearing room, and Mr. Wearn has been sitting in the back of the room. Have you not notified your witnesses that they are not to be in the room?

CURTIN: I had, but I had failed to notify Mr. Wearn. I frankly forgot to notify him.

SMITH: All right. If there are any other witnesses who will be testifying who are in here now, you will please be asked--we went through a great deal of trouble to secure the building. The phones have been cut off, the speakers have been cut off, so that no one outside the room has been hearing the proceedings. Thank you.

CURTIN: And I do wish to state I confirmed with Mr. Randolph said I did provide him with a witness list about three days ago, and I spoke to Mr. Wearn because of the shift of--please understand there has been no discovery in advance of coming into this room, so we did not know which witnesses, other than that Mr. Randolph provided me with a list of approximately 30, or 25. I did not know--we had no idea what the statements were--what comments were going to be focused on, and as the proceedings developed the use of different witnesses has shifted or the emphasis, and Mr. Wearn was added for reasons that I did not know when I first disclosed to him.

SMITH: All right. Do you have any other witnesses in the room right now Mr. Curtin?
Would you like to take a look around so this doesn't happen again.

CURTIN: No I do not.

SMITH: All right. Thank you.

CURTIN: I'm sorry, I stand advised. Mr. Crozier will be a witness for--

SMITH: Mr. Crozier's been here for the whole two days.

CURTIN: That's right. Mr. Crozier is simply a fact witness on a--on what happened in a transaction. He was part of a conveyance of something. That's the only issue that he would be offered for.

SMITH: Right. I excluded Mr. Crozier from the remarks.

CURTIN: Okay. Thank you. Mr. Wearn, would you please state your name for the record?

WEARN: James McCartney Wearn.

CURTIN: And Mr. Wearn, what is your involvement with the Town of Palm Beach?

WEARN: Well, I'm a resident, and I've served the Town in a volunteer capacity, and a long time ago on special projects as a lawyer for the Town.

CURTIN: And your an attorney who's been in practice for approximately how long?

WEARN: I was admitted to the bar in 1967, and except for the period of time during which I was on active duty in the military, approximately two and a half years, I've been practicing.

CURTIN: And you are a former Town Council member, is that correct?

WEARN: Yes.

CURTIN: When were you a Council member?

WEARN: From 1982 to 1984.

CURTIN: And how long have you lived in the Town of Palm Beach?

WEARN: Permanently since abut 1968, I believe.

CURTIN: And you're a military veteran, is that correct?

WEARN: Yes.

CURTIN: In what branch of the service?

WEARN: Army.

CURTIN: Do you have your practice here on the Island, or--

WEARN: No, off Island, West Palm Beach.

CURTIN: Are you involved in any of the Town's boards for various--either advisory or standing boards within the Town at this time?

WEARN: I'm one of two citizen members on the Board of Trustees of the Retirement Board.

CURTIN: And have you been involved in Town boards prior to that?

WEARN: In my capacity as a Town Councilman I was a member of the--a couple of committees of the Town Council, but other than that I have not been.

CURTIN: In your current role with that Board--I'm sorry, how long have you been in your current position?

WEARN: I believe since 1990.

CURTIN: That would be six years, then, approximately. And what is your role with that Board?

WEARN: I'm one of two citizen members on the Board of Trustees. The Board of Trustees has the responsibility for administering the Town ordinances in connection with the Retirement Board and the Retirement Funds and their investment and management. I serve as Vice Chairman of that.

CURTIN: During that period of time have you had occasion to work with Marie Crozier?

WEARN: I believe during the inclusive period of time, yes.

CURTIN: Is Marie a member of that Board with you?

WEARN: No, she is staff to the Board.

CURTIN: Okay. So she reports to the Board or is responsible to the Board?

WEARN: She--that's correct, yes.

CURTIN: And in your role have you--what is the frequency of your interaction with Ms. Crozier?

WEARN: In that capacity I would say 6-8 or 10 times per year.

CURTIN: Do you have--during those periods are they fairly intensive exposures at points in time or are they somewhat cursory?

WEARN: I would say they are intensive because of our management responsibilities.

CURTIN: Of these Town funds?

WEARN: That's correct.

CURTIN: Have you, in the course of that exposure and in the course of your involvement on that Board--have you formed opinions concerning Marie concerning her sense of professionalism?

WEARN: Yes.

CURTIN: Could you please state for this Board what your observations are regarding Marie Crozier in her role as Finance Director as you have observed it?

WEARN: In my capacity on the Board I've observed her enthusiasm and loyalty for the Town. I've observed her professionalism in presenting matters to the Board for the Board's consideration and action. I think she's a very dedicated professional to this Town, which the Town is very lucky to have.

CURTIN: Do you regard Mrs. Crozier as loyal to the Town?

WEARN: Yes, as I said.

CURTIN: Do you regard her as conscientious?

WEARN: Absolutely.

CURTIN: Is she, in your opinion, a hard worker?

WEARN: I haven't had a chance to observe that, but from everything that I know I would confirm yes.

CURTIN: Okay. In your opinion, has the Town been misguided in reposing confidence in Mrs. Crozier as a Finance Director?

WEARN: Not to my knowledge, observation, or experience.

CURTIN: Do you believe Mrs. Crozier, from your experience, to be an honest person?

WEARN: Most definitely.

CURTIN: Is Ms. Crozier knowledgeable in the areas of finance that you have had to deal with her in?

WEARN: In every respect in my experience, yes.

CURTIN: Have you ever seen Ms. Crozier exhibit degrading behavior towards subordinates?

WEARN: No.

CURTIN: From your exposure to Ms. Crozier and her personality would you be surprised if you heard that she had degraded subordinates who were dealing with her in her area--in her finance area?

WEARN: Very surprised.

CURTIN: Do you regard Ms. Crozier as an asset to this Town from an employment standpoint?

WEARN: Absolutely.

CURTIN: No further questions of Mr. Wearn.

RANDOLPH: Mr. Wearn, when were you first contacted by Mr. Crozier or--excuse me, by Mr. Curtin, or anyone from his office or any representative of Mrs. Crozier to talk about this case?

WEARN: I believe a day or two ago.

RANDOLPH: All right sir. Now, are you aware of the charges which have been included in Mr. Doney's report against Mrs. Crozier?

WEARN: Only to the extent of what I have heard or read.

RANDOLPH: I see. So you have not looked at his report to make a determination as to the truth or veracity of the items contained within his report?

WEARN: I haven't looked at his report, so I could not have looked at for the purpose of making any conclusions.

RANDOLPH: Okay. And the--you couched an answer to your question--questions that were raised relating to Mrs. Crozier based upon your knowledge, observation, and experience. Obviously you haven't worked in a subordinate capacity to Mrs. Crozier, have you?

WEARN: No.

RANDOLPH: And you don't work within the Finance Department?

WEARN: Obviously not.

RANDOLPH: And when you said would you be surprised as to whether or not she has degraded another employee, I think you said yes, but you do not know whether she has or has not degraded employees within her department, do you?

WEARN: I have not been with Marie Crozier eight hours a day, 200 days a year during the work year, so I can't speak to that. I expressed that I would be very surprised if she were to do that, based upon my knowledge, observation, and experience with her, not merely as a trustee on the Board of Trustees for the Retirement Fund, but also in the period of time that I've known her since I was on the Council and beyond.

RANDOLPH: I understood that answer to your question that was asked to you would be surprised, but my question to you was you do not know, as you sit here today, whether she has degraded employees within her department or not, do you?

WEARN: No.

RANDOLPH: Thank you.

SMITH: Mr. Curtin, anything else for Mr. Wearn?

CURTIN: No further questions for Mr. Wearn.

SMITH: All right. Thank you Mr. Wearn.

POLLITT: Mr. Shinedling, would you please raise your right hand? Do you swear or affirm that the testimony you are about give in these proceedings will be truth, the whole truth, and nothing but the truth, so help you God?

SHINEDLING: I do.

CURTIN: Could you please state your name for the record?

Robert Shinedling.

CURTIN: Mr. Shinedling, how are you employed with the Town of Palm Beach?

SHINEDLING: I'm a member of the Fire Rescue Department.

CURTIN: Okay. In what capacity?

SHINEDLING: I'm a Fire Captain.

CURTIN: And aside from that, do you provide another function or service to the Town?

SHINEDLING: Yes, I'm a vendor of 12 years, and I manage the parking meter system.

CURTIN: Okay, and your parking meter system is a job that's completely independent of your role with the Fire Department, is that correct?

SHINEDLING: Yes sir.

CURTIN: And do you--in your role with the parking vending business, does--what name do you go by in that?

SHINEDLING: It's Parking Meters, Limited.

CURTIN: Parking Meters, Limited. And are you the sole officer of that company?

SHINEDLING: No, my wife and I are both officers.

CURTIN: Okay, so you are the only shareholders of that company?

SHINEDLING: Correct.

CURTIN: Does Bob Crozier work for you?

SHINEDLING: He's occasional, casual labor, yes.

CURTIN: Occasional, casual labor. In other words you use him when you need him, is that correct?

SHINEDLING: Yes.

CURTIN: And he doesn't have any shareholder interest in that company, is that correct?

SHINEDLING: Correct.

CURTIN: He has no stake in the business, if you will?

SHINEDLING: None.

CURTIN: You strictly pay him, on what, an hourly basis, for work performed?

SHINEDLING: By the job.

CURTIN: By the job, okay. In the course of this business that you mentioned, have you had occasion to deal with Marie Crozier?

SHINEDLING: She's basically my boss in that respect. She--I work for the Finance Department in that regard.

CURTIN: Okay, in your capacity as a service vendor to the Town, is that correct?

SHINEDLING: Yes.

CURTIN: Now, concerning this role--this service vendor--you've had this job you've indicated for 12 years. Is it based on a competitive bid?

SHINEDLING: Yes.

CURTIN: And have you, I guess each year you've been successful--is it annually that you bid it?

SHINEDLING: It's based on the specs of the contract. It's usually several years at a time.

CURTIN: Several years at a time.

SHINEDLING: Right.

CURTIN: And the last time, as I understand it, you were the only bidder?

SHINEDLING: Yes.

CURTIN: Okay, so you--you have occasion to deal with Marie Crozier in this capacity, is that correct?

SHINEDLING: Often.

CURTIN: Often. Would you explain often--how that is--in other words how is it that you deal with her? You take the cash from the meters?

SHINEDLING: Yes, but that's not how I deal with her. I deal with her in regards to coming into the department, leaving certain paperwork, and advising her of operations, ups, downs, and anything that I would think would be important.

CURTIN: Okay. In the course of that working with her, have you had a chance to observe her in her professional capacity?

SHINEDLING: Yes.

CURTIN: Have you formed an opinion concerning Marie Crozier as a Finance Director?

SHINEDLING: Yes.

CURTIN: Okay. I guess my question is have you worked with her sufficiently to have formed an opinion of her as a Finance Director?

SHINEDLING: I think so, in my capacity and in the manner that I deal with her, yes.

CURTIN: Okay. What is your opinion of Marie Crozier as a professional person?

SHINEDLING: In regards to her interest in what I do she seems to be extremely interested, not necessarily holding me accountable for the personality of the finances, because obviously they go up and down for various reasons, but she is always interested when she notices a downside, constantly wants explanation, has even critiqued me in regards to things that bother her, and basically shows a good interest in it. Seems very pro-Town, pro-business, wants to do what's possible to increase revenues, although that's not always possible, so overall as a business person interested in that particular function of her job she strikes me as an interested manager, and I deal with several entities, and I certainly have to hold her up there high in regards and in comparison.

CURTIN: Does she seem like a conscientious person when you deal with her?

SHINEDLING: Yes.

CURTIN: Does she seem like--is she normally under control?

SHINEDLING: Yes, and I drop in any time of the day, sometimes several times a day, always unannounced.

CURTIN: Does she seem like the kind of person who would create a hostile work environment in her immediate section there in the Finance section?

SHINEDLING: I don't work there throughout the day, but up until this incident it always seemed like a place where they had a lot of fun.

CURTIN: Did Marie seem to create a positive environment in that department from what you were aware of?

SHINEDLING: I would assume that she had to be responsible for it since she was right in the middle of it.

CURTIN: Okay. There was a question at one point, and although it's not in the report, I'm going to ask this line of question just to completely clear the air from your--at least to bring it out so that it's set forth. At one point you were concerned about the fact that you had a job with the Town and that there may be some implication of a violation concerning that job versus your job at the Fire Department, is that correct?

SHINEDLING: That and another concern regarding employing Bob Crozier.

CURTIN: Okay. And isn't it true that when you secured the contract, or when you were bidding to secure the contract that to the best of your understanding this matter was presented to Mr. Doney and/or Mr. Doney and Mr. Randolph and that your company was cleared to engage in that employment?

SHINEDLING: In the 12 years I can't really say that I remember the issue being--having come up at the time of bid because as an outside vendor it wasn't really a concern. The question surfaced probably a year or so ago when, I think, Mr. Doney and Marie had the concern. So, consequently they informed me and put it to their Town Attorney, who at the time cleared it.

CURTIN: Cleared it. So, you had clearance to work for that job as a Town vendor, if you will, in addition to your working for the--

SHINEDLING: Correct, and to use Bob Crozier.

CURTIN: Okay. All right. That's your understanding of it, at least, is that correct?

SHINEDLING: Correct.

CURTIN: Mr. Shinedling, were you at one of the Fire Stations on the day that Mr. Neal addressed the firemen concerning the Crozier situation?

SHINEDLING: Yes.

End of Tape 8

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breaking a rule and that is why I personally didn't sign it.

CURTIN: Was that rule--was that rule a rule of --was that stated as a rule about solicitation?

SHINEDLING: Correct.

CURTIN: Okay. So Neal said that signing the petition would be a solicitation so therefore you shouldn't sign it. Is that fundamentally correct?

SHINEDLING: The petition was characterized as a solicitation.

CURTIN: The petition was characterized?

SHINEDLING: Correct. And the connection seemed apparent to me...whether..I can't really say whether it was explicitly stated, "Do not sign, because.." but the correlation of the rule and the reg and the fact that it was a solicitation was obvious to me.

CURTIN: Okay. Do you recall during this, that he stated that one of the banks was left either holding the bag or missing funds?

SHINEDLING: Honestly, I've kind of followed this case very closely and I've got a lot of facts and figures in my head. None of this at this time of the presentation was news to me. So I didn't pay close enough attention to say that fact was delivered at that time. He pretty much expressed the contents of the charges, but facts and figures..I honestly can't say that that one I got at that time, though I am aware of it. I'm sorry I can't do that.

CURTIN: Do you remember hearing the number $3,000 being missing from a specific bank?

SHINEDLING: I've heard of that..I've heard that figure.

CURTIN: Do you remember if that figure was mentioned in that meeting?

SHINEDLING: Honestly, can't say that.

CURTIN: Do you remember was it a favorable, even-handed speech or was it, in your opinion, a negative speech?

SHINEDLING: It wasn't favorable information about the Finance Director.

CURTIN: Okay. Did he also cover the issue about something missing from petty cash? Sixty-two dollars missing from petty cash?

SHINEDLING: I remember the topic of petty cash and money missing.

CURTIN: No further questions of this witness.

RANDOLPH: Mr. Shinedling, have you seen the report from Mr. Doney that is being considered by the Town Council today?

SHINEDLING: I have seen an audit and that's it.

RANDOLPH: Okay. If Mr. Doney's report contains statements that Marie Crozier created a hostile work environment, you wouldn't consider that a favorable comment about the Finance Director would you?

SHINEDLING: Certainly not.

RANDOLPH: And if Mr. Doney's report contained information which indicated that there may have some improprieties by Mrs. Crozier in the handling of petty cash, you wouldn't consider that a positive comment about our Finance Director, would you?

SHINEDLING: No.

RANDOLPH: So, in fact, anything that was said in regard to these charges by Chief Neal--about the Finance Director---in regard to the charges that are coming before this Council would have been a negative as opposed to a positive kind of a comment. Is that correct?

SHINEDLING: Certainly.

RANDOLPH: And in regard to the petition, Chief Neal didn't prevent you from signing that petition on your own time, off Town property, did he?

SHINEDLING: We don't break rules in the Fire Department. I considered that something I shouldn't do--on or off duty. So whether it was my misinterpretation, none the less, I got the impression that was -- it would undermine the Town possibly and that's not something that I want to do.

RANDOLPH: I understand. But what you were told by Mr. Neal, as I understand, that to sign the petition on Town property, on Town time, was a violation of Town regulations

SHINEDLING: Truthfully, I can't remember that as being that specific.

RANDOLPH: So you can't remember specifically what he did say in regard to the petition?

SHINEDLING: In that particular area, I cannot remember specifically.

RANDOLPH: Okay. Now, I have no further questions. Thank you.

McDONALD: Mr. Curtin, we would like to talk about time, if we can. Do you have...would you give us an idea of how much longer you think you'll be today? It looks like we are going to have to schedule another session. So perhaps you can give us..then we'll decide when that session will be.

CURTIN: Let me just take a quick look.

McDONALD: All right, thank you.

CURTIN: I would suggest...I think we had tentatively committed to 6 o'clock. I have an accountant that I would like to present on a particular issue, and then we would adjourn. I probably have Mrs. Crozier and five other witnesses--two of whom are relatively short. The other three--you know, you never know how these things go, but I am estimating. Okay. So, probably a total of six witnesses.

McDONALD: How much time do you think?

CURTIN: Probably be a couple of hours.

McDONALD: Okay. Why don't you do the witness you want to today and perhaps we should continue tomorrow afternoon. Would that be acceptable with you?

CURTIN: Sunday afternoon? Would that work.

McDONALD: How about Sunday afternoon then?

SHAW: I'll be out of town. I will not be back until Monday night.

McDONALD: Mr. Shaw will be out of town. That will leave use with us with three Council people. That's not really a desirable... I think that we should try and go for tomorrow. I understand the Communion. That's why I didn't suggest the morning. I w as aware of that and that's why I didn't suggest the morning. I don't...how important is the ..

CURTIN: How about..could we go Tuesday at 8:00?

SHAW: I will be back first thing in the morning, but I believe the Mayor will be out of town and that creates.....

MAYOR: I will be out of town Tuesday.

McDONALD: It's gotta...I think it needs to be this weekend, Mr. Curtin. We don't want to spread it out anyway. We want to keep going on the day.

CURTIN: Sure, I can appreciate that. I don't either, Mr. McDonald. No, I appreciate that.

McDONALD: How important is the wedding tomorrow? Is it something..well, Mrs. Crozier has a wedding tomorrow...

McLENDON: What was the answer about tomorrow afternoon?

CURTIN: Marie, could we do this like 4:00? Would 4:00 work?

McDONALD: And you think it would be about two hours?

PHETERSON: Could we take several more witnesses if they are short ones like Mr. Weeks or some of these others that you...

McDONALD: We're still going to have to come back, so..

CURTIN: I would suggest that...there are two other Town employees that are here that have been here all day that I would like to ... They are probably ten minute witnesses.

McDONALD: Let's do those two and then have the accountant, did you say? And how long do you think the accountant will take?

CURTIN: Well...I could do (inaudible) perhaps.

McDONALD: All right. Let's do those three today and try to start at ...will 4 o'clock on Saturday be acceptable?

SHAW: No.

SMITH: For how long on Saturday?

McDONALD: Two hours.

SMITH: I'm happy to start tomorrow morning at 10 o'clock. I mean 4 o'clock Saturday afternoon is an absolutely dreadful time. You know I'm willing to go along but I mean 4:00 to 5:00? You know, I said yesterday you said 5:00 o'clock and being lawyers I said I'd give you 6 o'clock. Now it looks like it may be 7 o'clock and we're coming back. Why 4 o'clock?

MAYOR: You guys have a quorum?

McDONALD: Well, Mrs. Crozier has a communion at 9:00 and a wedding at 2:00. I think...

SHAW: What time is the communion over? Can we do 11:00 to 2:00?

SMITH: No, no. You can't interfere with the communion for heaven's sakes.

SHAW: I'm available Sunday morning. I have a flight at 2 o'clock.

CROZIER: I would forego the wedding but it's my niece.

MAYOR: No, you don't have to do that.

SMITH: No, no, no, no.

McDONALD: I'm available Saturday afternoon and Sunday afternoon. Those are my two times.

SHAW: So you're not available Sunday morning.

MAYOR: How about Monday morning?

McDONALD: No, next week is out.

SMITH: I'm also available tomorrow afternoon. Name your time.

CURTIN: What time? 4:00? 4:00 works?

SMITH: It doesn't work but I'll be here.

CURTIN: I know. It doesn't work for me either. No ties? Okay, Mr. Ilyinsky. I like that.

McDONALD: Okay. We'll finish with your three witnesses today. We'll reconvene tomorrow at 4:00 o'clock and we'll finish it.

SMITH: 4 o'clock tomorrow, and it will be for how long?

CURTIN: I cannot see it going for more than two hours. I think that is fairly realistic. It may be inside of that (inaudible) ..at this point I am not...

SMITH: We want to make sure that both sides have ample opportunity. Mr. Randolph do you want to say..?

RANDOLPH: I think it would help me to plan this if we know who we are talking about as witnesses. To know the length of time that may be taken...he said that Mrs. Crozier and five other witnesses--two of whom will be short. I was just wondering who the three other witnesses might be?

McDONALD: Who are the three witnesses today, Mr. Curtin? The three witnesses today that you plan on calling?

CURTIN: There's Mr. Wilson and the two electricians from the Maintenance Department who are part of the $62.00 transaction.

McDONALD: Okay. And then tomorrow you have Mrs. Crozier and how many other witnesses?

CURTIN: Mrs. Crozier and two witnesses who had to leave...and..oh...Bob--four.

McDONALD: Okay..four tomorrow--Mr. and Mrs. Crozier and two Town employees?

RANDOLPH: Are those two short witnesses--the other two that you're calling tomorrow besides Mrs. Crozier and Mr. Crozier? Can you tell us who they are?

CURTIN: The electricians.

RANDOLPH: No, but I mean, for purposes of time I need to know about cross-examination. Maybe you could tell me who they are.

CURTIN: I mean they won't be as short as the electricians. They're.... I think they were on the list.

RANDOLPH: Which ones from your list?

CURTIN: Grace Peters and there is one other woman who was here earlier--Dottie Bragg.

PHETERSON: Do we have an understanding that we will..from the time that ... whichever time we pick..from the time that we commence, we will go through to conclusion even if it takes longer than we expect.

McDONALD: I understand. But I have..but you just indicated Dottie Bragg would be testifying. Is Mrs. Bragg here?

CURTIN: Yes, she was here.

McDONALD: So she's been sitting in on these proceedings too?

SMITH: No. She's been outside.

McDONALD: So she has always been outside? Okay. We'll do the three today and we'll finish tomorrow starting at 4 o'clock. We'll finish whatever you have.

McLENDON: That's 4 o'clock tomorrow?

McDONALD: 4 o'clock. That's acceptable to everyone? Mr. Curtin, please call your next witness.

CURTIN: Okay.

SMITH: Do you want to come up please and get sworn it? All right. Thank you.

Mrs. Pollitt, please.

POLLITT: Do you solemnly swear (or affirm) the testimony you are about to give in these proceedings will be the truth, the whole truth and nothing but the truth so help you god?

KARTRUDE: Yes, I do.

CURTIN: Will you please state your name for the record.

KARTRUDE: Yes. Steve Kartrude.

CURTIN: And what is your current employment with the Town of Palm Beach?

KARTRUDE: The Electrical Supervisor.

CURTIN: Okay. And how long have you been in that role?

KARTRUDE: Twelve years.

CURTIN: And in that role, you supervise all electrical installations in the Town on Town properties?

KARTRUDE: Yes. I haven't been the supervisor for twelve years but I have been with the Town for twelve years.

CURTIN: How long have you been a supervisor?

KARTRUDE: Approximately six or seven years.

CURTIN: Were you called by ...first of all..do you know Marie Crozier?

KARTRUDE: Yes, I do.

CURTIN: And you know she's been the Finance Director for the Town for some couple of years?

KARTRUDE: Right.

CURTIN: Okay. Were you called by Marie Crozier last year to come in and assist concerning the installation of some electrical units?

KARTRUDE: Yes, I was.

CURTIN: Could you explain that. How that came about.

KARTRUDE: Yeah. I had received a call from her to help her out. She had bought an intercom system and was having trouble getting in to work and she had gone through two units, and she was on her second unit and she wasn't certain if maybe she was doing something incorrect or setting switches wrong. She couldn't figure out why she couldn't get it to work so she called me to see if I could assist her in that, and I sent two of my employees over there to try to help her out.

CURTIN: Okay. And these were ..do you have any... I brought you forward today and requested that you bring certain records concerning these calls. Do you..have you provided those?

KARTRUDE: Yes, I have a work order that basically states that installing an intercom system for the Finance Department and also the times that we were there assisting her. The only times that weren't's actually listed on the work orders were the first calls when she had asked us to come over and try to get the first two units to work. We just stopped by in our spare time and did that, and I never really started a work order until we actually started installing the third unit.

CURTIN: When a..so you had actually done some work before your first work order?

KARTRUDE: Yes.

CURTIN: When does your first work order show your commencing work?

KARTRUDE: In the work order, it shows we started to work on the 9th of March, 1995.

CURTIN: The 9th of March in 1995. It's your recollection as you sit here today that you are somehow involved in this effort before that first work order.

KARTRUDE: Yeah. Correct. I think it was somewhere around the 6th or 7th to the best of my recollection that she gave us a call to try to help her out. But she had tried for a couple of days to get these other units to work and was unsuccessful.

CURTIN: Did the call come from Marie to you? Is that how it was initiated, or was it sent through some interoffice communication?

KARTRUDE: It was a call to me originally.

CURTIN: Okay. So you received the call and to the best of our recollection, what was the substance of the call?

KARTRUDE: She just said, "Can you help me out? I can't figure out what I'm doing wrong. Could you stop by and see what you can do for me?"

CURTIN: And did you do that?

KARTRUDE: Yes, I sent my men over there to help her out.

CURTIN: Is one of your men, Kevin Reynolds?

KARTRUDE: Yes.

CURTIN: Okay. Was Kevin involved with you in providing this service to Crozier and to her office?

KARTRUDE: Yes.

CURTIN: Okay. And this was as you indicated about two intercoms for Finance. Was that correct?

KARTRUDE: Yes. She had purchased a cordless intercom system originally and the first one didn't work, and I think she took it back and got an upgrade. And the second one--when she couldn't get that one to work, that's when she got frustrated with the whole thing trying to figure out what she was doing wrong.

CURTIN: Okay. Did you respond to the first call when she was frustrated and trying to get this thing worked out? Were you part of--did you come over physically?

KARTRUDE: I didn't physically go over but you know, I was involved in sending the guys over there to see if they could get it to work.

CURTIN: Was Kevin Reynolds the fellow you sent over?

KARTRUDE: Yes, he was.

CURTIN: So he was the hands on guy.

KARTRUDE: Yeah. He was actually there on each occasion.

CURTIN: When you just--because what I have you here today for is to identify the records and to indicate --so would you--you started--your records indicated you started on the 9th and would you just sort of walk through the balance of the dates as reflected on your department's recording system?

KARTRUDE: I started my work order on the 8th--just if you want a little background on that--when they went there to try to get this second unit to work, they found that they couldn't get it to work, and it was a problem in the building. So, at that time, they said what we need to do is give you a hard wired system. So, Marie actually went and got a third unit for us, and when she got that unit, she called and said I've got the unit, could you come and install it? So, that's when actually I started recording the work orders and that would have been on the 9th, the day after she picked up the unit--the third unit which was the hard wired unit.

CURTIN: So there was one set of purchases and then a return of those because they didn't work?

KARTRUDE: Right.

CURTIN: And then you or Kevin said, "Get a different type of system--so called hard wired system?"

KARTRUDE: Right.

CURTIN: And then she went and got that system?

KARTRUDE: Yes.

CURTIN: And that system was brought in as sort of a supplement or as a substitute for the earlier system that didn't work?

KARTRUDE: Right.

CURTIN: Do you remember why the other system--the first system--didn't work?

KARTRUDE: The first system didn't work. Really, it was just the building. Evidently steel in the walls. We couldn't get the cordless unit to actually work. It wouldn't transmit around the wall where she wanted to set the remote units.

CURTIN: Okay, so you -- the solution is that you recommended--you or Kevin--but your department recommended this hard wired system?

KARTRUDE: To go to a hard wired system instead of the remote system.

CURTIN: Okay. And then was that purchased or was that exchange made?

KARTRUDE: That exchange was made again by Marie. She went and got a third unit, and when she got that unit, she called and that's when we started setting up to install that unit.

CURTIN: Okay. To the best of your knowledge, did that unit get installed?

KARTRUDE: Yes, it did.

CURTIN: Did it require still another trip because the hardware system that was procured wasn't quite right?

KARTRUDE. Yes. What happened was on the 9th we started the installation, and that at that point we realized we needed more wiring. So, we got some extra wiring and also we had to make some solder connections to tie it all together. That was on, I think, the 10th which was the next day. And on Monday, we went back the following day, which would have been the 13th of March and we were going to install it that day, and we ended up getting called out on a trouble call so we ended up going back on the 15th which was a Wednesday and finally making the final installation, checking it out, and making sure that it worked.

CURTIN: So it basically, it took really four trips to get this thing installed and working? Is that right?

KARTRUDE: It took four trips after we got the hard wired unit, and we were actually there before that. I think on two occasions.

CURTIN: So that adds up to a total of 6 trips.

KARTRUDE: Right.

CURTIN: Four plus two. Right.

KARTRUDE: Right.

CURTIN: Okay. So six trips to get this hard wired system to work including a couple of trips back to the store to exchange.

KARTRUDE: Right.

CURTIN: Is that correct?

KARTRUDE: That's correct.

CURTIN: The hard wired system that was finally installed was the correct system but it lacked certain wires or details. Correct?

KARTRUDE: Yeah. We didn't have enough electrical wire and we needed some extra electrical connectors to tie it all together.

CURTIN: How would you characterize this whole series of events?

KARTRUDE: It was a confusing installation to say the least.

CURTIN: Okay. I would like to offer into the record the Town records concerning this transaction--the actual invoices--I guess you don't call these invoices?

KARTRUDE: It's a work order and it shows the work that was done and the time that was spent doing it.

CURTIN: These are your work orders?

KARTRUDE: These are the work orders. Yeah.

CURTIN: Can we enter these and then...is this an extra copy?

KARTRUDE: Yeah. You can have those.

PHETERSON: This will be Employee Exhibit 7.

CURTIN: No further questions of this witness.

RANDOLPH: Mr. Kartrude, did you have an opportunity to look at the petty cash receipt and the charge slips for the items that you've talked about here today?

KARTRUDE: No.

RANDOLPH: Have you been able to form an opinion as to whether or not any items that were returned, that were credited to Mrs. Crozier as far as the cash was concerned, but not returned to the Town of Palm Beach?

KARTRUDE: I don't know. I've heard just a few details but nothing that I could form an opinion...so I don't really know how it all came out.

RANDOLPH: Thank you.

CURTIN: Thank you, Mr. Kartrude.

POLLITT: Do you solemnly swear or affirm that the testimony you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth so help you God?

REYNOLDS: I do.

CURTIN: Would you state your name for the record?

REYNOLDS: Kevin Reynolds.

CURTIN: And what is your position..you're employed by the Town, Kevin?

REYNOLDS: Correct.

CURTIN: And in what capacity?

REYNOLDS: Electrician.

CURTIN: How long have you been employed with the Town?

REYNOLDS: Eight years--May 9th.

CURTIN: Eight years--May 9th. Anniversary time.

SHAW: We may still be here.

CURTIN: Are you within the department--who is your boss?

REYNOLDS: Steve Kartrude.

CURTIN: Mr. Kartrude has just testified, but did you participate in the installation of certain electrical fixtures--most specifically intercoms in the Finance Department office in early March -- around March the 8th or 9th of 1995?

REYNOLDS: Yes, I did.

CURTIN: Do you remember that?

REYNOLDS: Yes.

CURTIN: Okay. As I understand it Mr. Kartrude was called by Mrs. Crozier who is the Finance Department Director to install these intercom systems. Is that correct?

REYNOLDS: Right.

CURTIN: And did you accompany Mr. Kartrude on this work assignment?

REYNOLDS: Yes, he was--we were given the assignment to go over and help Mrs. Crozier--that she was having a problem with the system that she had purchased. It was not operating and would we investigate. So we did go over there.

CURTIN: Okay. When you came over to do this for--did you accompany Mr. Kartrude and actually perform the work?

REYNOLDS: I did not accompany Steve. I was with another co-worker.

CURTIN: Okay. So Steve sent you and another co-worker to do this work. Okay. Who was the other co-worker?

REYNOLDS: Mitchell Sawyer.

CURTIN: Steve indicated that the entire matter to get this thing installed took approximately six trips. Is that pretty close to your recollection?

REYNOLDS: Yeah. That's pretty close. It was a little confusing.

CURTIN: Just if you would chronologically, I think Steve said that the department work order indicates that the first work that was recorded or that is reported here was on the 9th. But Steve -- but Mr. Kartrude's recollection is that the work actually started a little earlier than that. He was called in but for some reason--you know, the work order was first dated the 9th. Would you, to the best of your recollection, state how you recall this matter occurring?

REYNOLDS: Well, I believe it was either the 6th or the 7th of that month is when Steve was notified verbally from Mrs. Crozier that there was a problem and so it was kind of would you stop over and take a look at it because she was confused as to what was going on. So there wasn't really a work order at that point. She had purchased wireless intercom, so we went back and forth between the rooms--her office and the Finance Department--to see if we could get these to operate. There is a -- there's some steel in the wall that was actually blocking the frequency so it was--we tried for probably better than an hour and could not get them to work.

CURTIN: Now, are these the first two intercoms that were purchased for Finance?

REYNOLDS: Right.

CURTIN: And these are the two intercoms that I believe that Marie Crozier purchased for the department.

REYNOLDS: Right.

CURTIN: Okay. The invoice for these--and I just ask you if you know--there was also an intercom for Risk Management. Was that part of this work effort that you did?

REYNOLDS: I believe it was because I recollect a couple of intercom systems being there at that time.

CURTIN: Okay.

REYNOLDS: A separate one that she wasn't using.

CURTIN: So your efforts or at least the problem or the troubles if you will arose over these two intercoms that were for Finance. Is that correct?

REYNOLDS: Correct.

CURTIN: And the problem was what?-- that they wouldn't transmit back and forth because of some metal that was in the walls of the Finance Department?

REYNOLDS: Right. With FM frequency, the steel in the wall--there was a point where it was totally blocking the signal. So there was one point you could get no transmission.

CURTIN: So, was Marie a little frustrated about this when you first came over?

REYNOLDS: Yeah. She didn't understand why it would work and then in one little particular area, she received no signal at all, and I can understand. It would work fine in one area and then you'd move it a little bit and so we explained to her that this was not uncommon and that the only way to solve that would be to have a hard wired system.

CURTIN: Okay. Did she -- what was your recommendation then? To do a hard wired system?

REYNOLDS: Yeah. After the little bit of time that we spent, we thought that the --for the clarity.

CURTIN: Then what happened?

REYNOLDS: Then we asked her if she would --if she wanted us to take the intercom system back and buy a hard wired system and she said no, you guys have helped us enough. I'll pick it up on the way home.

CURTIN: She offered to do it on her own?

REYNOLDS: Yes. We thought it might be easier for us because we might know which one to pick, but she no that was no problem. You guys have done enough. I can pick it up. So we explained to her the type of system to buy.

CURTIN: Was she attempting to be accommodating by that?

REYNOLDS: Oh--quite--yes. There's--she was very nice. As a matter of fact she went out of her way to thank us.

CURTIN: Was she easy to deal with?

REYNOLDS: Yeah.

CURTIN: So then she went and got the hard wired system somehow. Right?

REYNOLDS: Right.

CURTIN: So then the hard wired system showed up a week or approximately a week or a couple of days later--possibly a week later--and then what happened?

REYNOLDS: Then Steve had notified us that, I guess, Marie had told him that it was in and that we could install it. So we went to the Finance Department and I don't know if Marie was there at that time but we found the system and we started looking at it and actually started the installation procedure. About an hour and one half into that, we realized that they did not send her enough cord length with that system.

CURTIN: This is the hard wire system--now the return system that came back. Okay.

REYNOLDS: There's a master and three auxiliary units and there wasn't enough wire to install that and we told her we could go as far as we could and we had to go back again to the store and get some wire and some jacks that went along with that system.

CURTIN: So did you have to make that trip as well?

REYNOLDS: Yes.

CURTIN: Okay. Did that trip finally complete the trips to the store if you will to ..

REYNOLDS: The wiring and the jacks finally did complete the purchase of the materials we installed.

CURTIN: Then what happened after that? Did the system get installed?

REYNOLDS: Yeah. Then we finally went back with everything that we needed and completed it.

CURTIN: Was this, in your opinion, a confusing set of transactions?

REYNOLDS: Yes. I wish I could have made it easer, but it was just one of those things that took a while. Yes, it was confusing.

CURTIN: Okay. During this time, was Mrs. Crozier co-operative in your opinion?

REYNOLDS: Yeah. She was very nice to us. That's the truth.

CURTIN: Okay. Did you have any problems in dealing with her?

REYNOLDS: No. Not at all.

CURTIN: The system was finally installed and up and correct after that. Is that correct?

REYNOLDS: Right. Then we tested all three units and everything was fine.

CURTIN: Your immediate superior indicated that this entire thing took about 6 trips to the department to get this thing correct.

REYNOLDS: Yeah. Because there was a time when we also were starting to put the system in and we were called out on an emergency. We bounce around Town quite a bit so we can get called off a job at any given moment.

CURTIN: Okay. Fine. Thank you. No further questions. Thanks, Mr. Reynolds.

RANDOLPH: Just one--a couple if I might. I would like to reference what's been put in evidence as Town's composite exhibit 2 and have you take a look at this. Have you seen that document before?

REYNOLDS: No. No sir, I haven't.

RANDOLPH: So your testimony today has really related to you--your work in the installation as requested by Mrs. Crozier?

REYNOLDS: Correct.

RANDOLPH: Your testimony doesn't -- you weren't really involved in the purchases of these units by Mrs. Crozier?

REYNOLDS: No sir.

RANDOLPH: It was strictly Mrs. Crozier that took care of that. Correct?

REYNOLDS: Correct.

RANDOLPH: And you have not testimony as to whether or not Mrs. Crozier benefited as a result, personally and financially, as a result of any of these transactions?

REYNOLDS: No sir.

RANDOLPH: Thank you. No further questions.

SMITH: Mr. Curtin, anything else from Mr. Reynolds?

CURTIN: No. Thank you, Mr. Reynolds.

SMITH: Thank you.

CURTIN: Mr. Wilson, if you need a glass of water or anything, pour yourself right there. Mr. Elwell is a little cautious about the water on this side of the bar but he is very free up there.

SHAW: Mr. Curtin? For the record I know Mr. Wilson from a few years ago. My wife has worked with him. So, if that is of any relevance, I'm just letting you know.

CURTIN: Would that in any way compromise your..?

SHAW: No. But I just want you to know it up front.

CURTIN: Okay. Fine. Thank you. And what was your wife--

SHAW: My wife worked with him in the same firm.

CURTIN: Okay.

(Mr. Wilson was sworn in by the Town Clerk.)

CURTIN: Mr. Wilson, will you please state your current employment?

WILSON: I am the tax director with the firm of Coopers & Lybrand, C.P.A.'s.

CURTIN: Tax Director?

WILSON: Yes.

CURTIN: How long have you been with Coopers?

WILSON: Six years.

CURTIN: And you're in the West Palm office?

WILSON: That's correct.

CURTIN: And before that how long have you been an accountant?

WILSON: I have been practicing public accounting for twenty-five years.

CURTIN: And you were specially retained by us in connection with this matter. Is that correct, Mr. Wilson?

WILSON: That is correct.

CURTIN: You do not do Mrs. Crozier's personal income taxes. Is that correct?

WILSON: That is correct.

CURTIN: Okay. I'm going to ask you, Mr. Wilson, to comment--you've seen the Town Manager's report have you not concerning --?

WILSON: Yes, I have.

CURTIN: I'm going to ask you to comment on the W-4 form concerning the number of deductions--the number 99--the number of deductions and ask you what your observations are concerning that?

WILSON: The W-4 form which is the form that the employee fills out for the employer to determine the number of deductions and allowances which in turn determines the amount of withholding tax withheld from their salary. The IRS does allow for an employee to take additional deductions and withholding allowance to reduce the tax withheld from their salary in certain circumstances. And this primarily is if there is additional deductions that they may have out of the norm from their tax return, which they would anticipate at the end of the year. However, if an employee does not have enough withholding withheld from their salary throughout the course of the year, they would be responsible to make up the difference when they file their tax return; as well as they could subject themselves to underestimation penalty.

CURTIN: Okay. The employee is--who is responsible for the payment of the tax?

WILSON: The employee's the person that's primarily responsible for their income tax.

CURTIN: Okay.

WILSON: The withholding tax just makes it convenient to have the tax withheld for the government.

CURTIN: Okay. Marie Crozier was claiming an additional withholding, is that correct?

WILSON: That's correct. She was claiming additional withholding.

CURTIN: Is this something that you've seen done in other cases. Is there anything extraordinary about this?

WILSON: It's done. I've seen it done, and the thing is that the person has to make up the difference at the end of the year.

CURTIN: Okay. Again, the point being she's responsible for her own income taxes, is that correct?

WILSON: That's correct.

CURTIN: I mean, there's nothing about the 99 deduction under the W-4 that means she gets out of paying taxes, is there?

WILSON: No. The 99 just reduced her withholding tax to zero. It could have been--20 may have done the same thing. She just happened apparently to put 99.

CURTIN: Okay. Could a person do this because--why would a person do this?

WILSON: Well, their itemized deductions may be excessive, whereas they would anticipate less tax than what's being presently withheld from their salary.

CURTIN: Would it also be a case if someone, for example, hypothetically, if someone had another business that had losses in it?

WILSON: Yes. Anything that would reduce their income tax.

CURTIN: Okay.

WILSON: And also it's a method of, you know, it can be used to maintain one's cash flow on a temporary basis.

CURTIN: Okay. In the course of conducting your report for purposes of coming here--your report at our request, what is it your understanding that the Town of Palm Beach had done concerning these W-4s in the past?

WILSON: Apparently, in the past, I've been told, is that they would allow the employees--and this is going back in previous Finance administrations--they would allow the employee to put additional withholding, specifically for their year end longevity pay to reduce the withholding to zero in longevity pay, and anytime there's more than 10 exemptions claimed, or withholding allowances, you're supposed to remit it to the Internal Revenue Service, and in the past they hadn't been doing that. I understand that Marie Crozier checked with their Town auditors and--when this was brought to her attention--and as a matter of fact that she changed her withholding allowances at that point in time, and reduced it from the 99 to 10 withholding allowances.

CURTIN: Okay

WILSON: And they seemed to think that would be satisfactory, which probably that's how I would have reacted under the same circumstances, and specifically they're more concerned about the salary being reported correctly, which it had been.

CURTIN: Did Marie Crozier, in the course of conducting your report--did Marie Crozier indicate that she had spoken to the Town auditors?

WILSON: Yes, she has.

CURTIN: Okay, and did--do you recall what the result of those conversations were, as she relayed them to you?

WILSON: Oh, she related that--you know, she said, hey, beginning in 19--in the past years we haven't submitted them; beginning inn 1996 we will, and just got their knee jerk reaction to it, and they said that seemed to be fine to them considering the circumstances.

CURTIN: And is it your understanding then, beginning in 1996, that they were going to--

WILSON: Yeah, they would submit he W-4s in case someone did claim more than 99. I'm not sure that anybody was claiming more than 99 allowances at that point in time.

CURTIN: In your opinion, is the--what is the impact of not submitting the W-4?

WILSON: The fact that the W-4 wasn't submitted I think is a very, very minor thing, and I don't think the Internal Revenue Service would be at all that interested in under these circumstances, especially since the matter had been corrected by year end. In my 25 years of experience, as well as those of my partners, I've never had a problem regarding W-4 forms with employees or employer.

CURTIN: Why is that?

WILSON: I mean, there's no intention here to defraud the government. The tax has been--you know, the tax return's filed and the taxes are paid.

CURTIN: So it's the tax return itself that the key--that the emphasis is on, am I understanding that correctly?

WILSON: That's correct. Yes. That's correct.

CURTIN: And again, I've stated, and this is a correct statement, is it not, you do not do Mrs. Crozier's personal income taxes.

WILSON: That's correct.

CURTIN: You're not her account of record for the purposes of her annual filings.

WILSON: That's right.

CURTIN: Is it-- to the best of your knowledge, she has filed her tax returns, is that correct?

WILSON: To the best of my knowledge, yes.

CURTIN: No further questions.

RANDOLPH: Mr. Wilson, what does it mean on a W-4 form when--above someone's signature when it says, under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or entitled to claim exempt status?

WILSON: I think that means that someone has given it some forethought as to what they're doing.

RANDOLPH: And would it be an attestation that indeed those--the exemptions claimed on that withholding certificate are the number of exemptions that person has?

WILSON: No, it would be withholding allowances, not exemptions. Exemptions would be individual people that you'd be--your dependents.

RANDOLPH: Well, this says on Line 5, total number of allowances, and then there's listed 99, and then it says I am entitled to the number of withholding allowances claimed on this certificate.

WILSON: That's right. It's the withholding allowance. I was just making a difference between exemptions, which would be an individual that you're responsible for.

RANDOLPH: Okay. So you don't see anything unusual about a person claiming 99 allowances?

WILSON: It's not--

RANDOLPH: How about a couple claiming 198 allowances?

WILSON: Well what was happening here is she was just exempting her salary from tax--withholding tax.

RANDOLPH: Yeah. I understand that. Have you ever in your practice seen a couple claim 198 withholding allowances on their W-4s?

WILSON: I've never seen it, but I've seen employees not have their salaries subject to withholding tax, and they would make it up at the end of the year.

RANDOLPH: Now, you indicated that Mrs. Crozier told you that the auditors didn't seem to have any problem with waiting until the first of the year to file these W-4s with the IRS, is that correct, is that your statement?

WILSON: That's correct.

RANDOLPH: And you learned that from Mrs. Crozier, did you not?

WILSON: That's correct.

RANDOLPH: You didn't really speak to the auditors to see what the auditors told Mrs. Crozier, did you?

WILSON: That's correct. I did not. But under the circumstances I would have probably reacted similarly, you know seeing that it's so--it is a minor matter.

RANDOLPH: You mean--okay-so, even if there were a Circular E that said that if anyone that is employed during that quarter claims more than 10 exemptions that that should be filed with their form 941 with the government, you just would say it doesn't matter, do it next year.

WILSON: No. I wouldn't advocate it, but once it had been done, such as it had been done, and had been corrected, and had been done in the past in this manner, I would have responded similar to what I was told they responded. The situation's been fixed, so let's go forward.

RANDOLPH: Okay. So you're telling me that once information came to you that was in violation of what the IRS says you're supposed to do that you'd say, don't worry about it, take care of it in the future.

WILSON: Well, yes, because there's no tax issue here. The tax dollars are being paid. That's what they're most concerned about. That's what the IRS is most concerned about; that they collect the proper amount of tax.

RANDOLPH: Well, then why would the IRS set forth in a circular rules which say that the employer is responsible for filing withholding allowances with more than 10 in any quarter in which an employee declares more than 10 exemptions. Is it just not important to the IRS to know that?

WILSON: No, I wouldn't say that it's not important. I think that they're trying to have surface anyone that's not paying their tax and filing tax returns.

RANDOLPH: Yeah. Don't you think it might raise a red flag to the IRS if they saw that a couple that had two children and themselves were claiming 198 exemptions?

WILSON: Well, they'd certainly take a look at it, and they'd see that the people had been paying and filing their taxes, I would imagine.

RANDOLPH: I have no further questions, thank you.

SMITH: Mr. McDonald has some questions for Mr. Wilson.

McDONALD: Mr. Wilson, I have a couple questions. One, you did indicate that the taxpayer was primarily responsible for payment of the tax. When you used the word primarily does that mean exclusively?

WILSON: They're responsible for their tax, yes.

McDONALD: Correct. So if they didn't pay the tax there would be no recourse against the Town?

WILSON: In certain circumstances employer can be held for tax liability of employee. It's a very rare thing. It's a possibility.

McDONALD: It's a possibility. So do you think the IRS would have a problem if everyone in the country took 99 allowances on their W--

WILSON: Yes, I think they would have a problem if everyone in the country did it.

McDONALD: And you also seemed to indicate that you normally would do that if you were going to pay less tax or reduce your income tax, whereas it would seem in this situation since no tax had been paid during the whole year that there actually would be tax due at the end of the year. Would that be--

WILSON: Well now the W-4 was changed at the end of the year, whereas there was withholding from that point forward--from October forward, in this particular case.

McDONALD: It was my understanding that it was--those 99 allowances were taken as of January 1st, all the way through to October, is that correct?

WILSON: That's correct.

McDONALD: And generally you can meet all your tax liability in that six--or I guess--

WILSON: Well, it depends on the individual circumstances.

McDONALD: Right. Okay. Thank you.

SMITH: All right. Mr. McLendon?

McLENDON: Is it not true that this is a means of getting an interest free loan from the government all the way up until the following April?

WILSON: Well, not completely, because if you have underestimation; if you've underestimate--

McLENDON: But there was no estimation.

WILSON: Well, if you've underestimated your tax. If you have not paid at least 90% of your tax, or as much as your prior year's tax, then the government would charge you an interest factor, which is called an underestimation penalty. So she would be exposed to underestimation penalty.

McLENDON: I would have assumed that the purpose of filing the W-4 forms above certain limits would, as has been noted, a flag to IRS and it would give them better justification for charging a penalty and interest when the facts came in. You don't have any reference to something like that?

WILSON: Well, no, they would--it would give them an opportunity to deny the withholding allowance--that's what it would give them--an opportunity to deny.

McLENDON: Then why shouldn't it be submitted?

WILSON: It should be. Technically, it should have been submitted. It hadn't been done; it hadn't been done in prior years, so in future years I think the correction had been made at this point.

McLENDON: And I think you said that the fact that it was brought to the attention during the fourth quarter, that you would have no problem with not filing at all for the calendar year '95--wait and start it in '96, even though you knew about it in '95?

WILSON: It's not that I wouldn't have a problem with it; it's that I think the matter had been corrected, so why create a problem. You know, you've corrected it--let's go forward.

McLENDON: But it didn't get corrected, until '96.

WILSON: Because the problem was a past problem. It was a third quarter problem, and they're required to be submitted on a quarterly basis.

McLENDON: Well, what about the fourth quarter?

WILSON: But she changed her estimated, you know, her withhold--

McLENDON: I don't think so. Not for '95, as I understand it.

WILSON: Well, October 20--in October she changed it. There was only 10 withholding allowances claimed as--

McLENDON: Is that correct? Okay, I wasn't aware of that.

SMITH: All right, Mr. Shaw, Mr. McDonald has one more question.

McDONALD: Mr. Wilson, would you consider it a prudent practice for the head financial officer of a company to request, or I guess, apply for 99 allowances? Is this something that you would recommend to a client of yours, if they were to seek your advice about doing that?

WILSON: Again, it would depend on their particular tax situation. Ordinarily, no, I would not recommend it.

McDONALD: Have you ever recommended it?

WILSON: No, I've never recommended it, but I've seen it done. I've seen it done on a fairly common practice.

McDONALD: Okay. Thank you.

SHAW: Mr. Wilson, was your present firm at one point the auditors for the Town of Palm Beach?

WILSON: I believe they were.

SHAW: And when you audited the Town's records, if you had noticed an employee with 99 exemptions would you have felt that that was something that was acceptable?

WILSON: I would have brought it up to the Finance Department and inquired about it.

SHAW: And doesn't the IRS say that longevity pay or bonus pay is supposed to have either a flat tax deduction, 28%?

WILSON: That's correct.

SHAW: And therefore the idea that the longevity pay ever should have been established at 99 is not really in accordance with the IRS regulations?

WILSON: It's not in accordance with the technicalities in the regulations, that's correct.

SHAW: And isn't it also true that the purpose of the W-4 is because a salaried employee is supposed to be making equal withholding payments in accordance with the salary at a given point? Obviously as their salary rises there may be some changes, but that's the primary difference. If someone who doesn't have salary is required to pay estimated taxes, and as you said, on the basis of 100% or 90% of last year, or the amount due, so that really saying 99 for a year is circumventing the idea, and that it's not a question of making it up at the last minutes, because the only way we can make it up is if we, as the employer, were to deduct enough tax on a paycheck to equal what we should have deducted on a weekly basis.

WILSON: Well, it wouldn't be the employer's responsibility for the employee's tax. They would owe their tax at--

SHAW: Right. But if they're not paying estimates.

WILSON: Then they would owe their tax when they filed their tax return, with their penalty.

SHAW: With their penalty.

WILSON: Right.

SHAW: And if for some reason the taxpayer was unable to pay that tax, do you think the IRS would have a claim against the employer?

WILSON: I think the IRS would do everything they could to collect from the taxpayer, and that's been my experience.

RANDOLPH: But you are aware, Mr. Wilson are you--

CURTIN: I'm going to object. I mean, he finished on cross. I think we're done with that. We've heard the Council, but I think he's had his opportunity on that.

SMITH: Oh, he didn't. I interrupted him.

RANDOLPH: That's fine. I don't have any--

SMITH: All right. If you don't want Mr. Randolph to speak, Mr. Curtin, that's fine. I did interrupt him.

CURTIN: It's not Mr. Randolph to speak. I want to observe the decorum of cross--

SMITH: Yeah, we're trying to.

CURTIN: I thought we were done.

SMITH: We're going back and forth. The Council had some questions.

PHETERSON: And I just have one question, sir. What is your first name?

WILSON: Russ. Russell Wilson.

PHETERSON: Okay.

SMITH: Mr. Wilson. Are you finished with Mr. Wilson, Mr. Curtin? All right. Are we finished for tonight?

SHAW: I guess I move--

DONEY: For the purposes of tomorrow, we'll open the east door of Town Hall at 3:00 P.M.

SMITH: Great.

RANDOLPH: So we know, the fireman that you wanted to call you still have available to you to call tomorrow?

CURTIN: (unintelligible).

RANDOLPH: Well, now they were out--when we talked about this they were out in the room and I--

SMITH: Mary, will you turn the mic on. Actually, what happened, Mr. Curtin was that Mr. Weeks was outside of the door there. You said this witness is sitting here and has an anniversary and I'd like to do him before I do Mr. Weeks, and then you never did Mr. Weeks. So you didn't take the advantage of the opportunity that we gave you to put every little word into the record, now did you?

CURTIN: Thank you. In that case, I guess I didn't.

SMITH: I guess you didn't.

CURTIN: Okay.

SMITH: So we want that in the record, because that--they were all waiting out there.

Thank you. We had a motion to adjourn. We did indeed.

DONEY: Until 4:00 P.M. tomorrow.

End of Tape 9

Tape 10 - 5/4/96

SMITH: Let me reconvene the meeting. I reconvene the Town Council Meeting of Thursday, May 2nd. Today is Saturday May 4th. All right. Mrs. Pollitt, please.

POLLITT: (Town Clerk called roll and all elected officials were present).

MARIANI: Good afternoon to the Council. The other day, I believe it was on Thursday, Ms. Dinehart testified and identified her W-4 forms from two years, 1992 and 1994. I'd like to--I inadvertently did not introduce them as exhibits at that time. They've already been identified, and I'd like to introduce them at this time as our next numbered exhibit.

PHETERSON: That would be Employee Exhibit 8. They're both as one composite exhibit?

MARIANI: We'll make them a composite exhibit, yes.

SMITH: While you're doing that, Mr. Mariani, I'd like to announce now we're going to break at 4:55 for approximately ten minutes.

MARIANI: Those again. Those would be Employee Exhibit 8, I believe, is that correct?

PHETERSON: Yes sir.

MARIANI: Okay. Thank you. Can we call our first witness now?

SMITH: If you're ready.

MARIANI. Thank you.

POLLITT: Would you please raise your right hand? Do you solemnly swear or affirm that the testimony that you are about to give in these proceedings will be the truth, the whole truth, and nothing but the truth so help you God?

COCHRAN: I do.

MARIANI: Would you please state your name for the record?

COCHRAN: Sister Kathleen Cochran.

MARIANI: And Sister, where do you live?

COCHRAN: 2930 S. Congress Ave., Lake Worth.

MARIANI: And what is your profession or occupation?

COCHRAN: I teach first grade.

MARIANI: And are you a member of a religious order?

COCHRAN: I am. The Franciscan Sisters of Allegheny.

MARIANI: And how long have you been a member of that order?

COCHRAN: Eight years.

MARIANI: Do you know Marie Crozier?

COCHRAN: I do.

MARIANI: Could you please describe to the Council how you know Marie?

COCHRAN: I know Marie because I taught her youngest son in first grade last year. I'd met her prior to that as a parent who volunteered for different functions at our school, and also as a Eucharistic Minister at St. Luke Church.

MARIANI: And what's the name of your school?

COCHRAN: St. Luke Catholic School.

MARIANI: In your capacity as a teacher do you know whether Marie donates any time or works with the school in any capacity?

COCHRAN: Yes, she donates her time generously to any of the fund raisers that we do, both at school and on her own time.

MARIANI: And does she perform any other functions at the school?

COCHRAN: I believe she's a member of one of the Boards, but I don't know which one.

MARIANI: Do you--Are there other nuns who teach at the school?

COCHRAN: No.

MARIANI: No. You're the only nun who teaches at the school?

COCHRAN: Well, our Assistant Principal.

MARIANI: And what's her name?

COCHRAN: Sister Janet.

MARIANI: And do you know whether Sister Janet was unable to be here today?

COCHRAN: Why? Yes, she had a prior engagement at a family graduation.

MARIANI: I see. And do you know whether Sister Janet sits on any Board with Marie Crozier at the school?

COCHRAN: She does.

MARIANI: And what's that Board please? Do you know the function of that Board if you don't know the name?

COCHRAN: I don't know. I mean, I could guess, but I don't.

MARIANI: Well, we don't want you to guess. We certainly want you to tell the truth.

COCHRAN: I don't know.

MARIANI: Is there more than one Board at the school?

COCHRAN: There is.

MARIANI: Okay. Okay. Uh, have you ever heard anybody at the school suggest to you or to anybody else that they were not satisfied with Marie Crozier's performance in any way on the school board?

COCHRAN: No, I don't.

MARIANI: Do you know how long Marie has served on the Board?

COCHRAN: A couple of years. I don't know exactly. I don't get involved in that stuff.

MARIANI: Uh, at any time at the school, Sister, have you ever heard a derogatory comment made about Marie Crozier?

COCHRAN: No.

MARIANI: Okay. Thank you, I have no further questions.

RANDOLPH: Thank you. I have no questions, but I would like to ask, so that I might organize my case, if there are any other witnesses that were not mentioned yesterday afternoon, or not on the witness list, that might be coming forward today, so that I might adequately prepare?

SMITH: All right. Mr. Mariani and Mr. Curtin?

MARIANI: The answer is no. Unfortunately Sister Janet, who was on the list, was unable to attend today on Saturday, so we apologize to Mr. Randolph.

SMITH: That's all right. Are there any witnesses--do you have any witnesses in the room, Mr. Mariani, that may not be aware of the order that they not be in the room during questioning. Do you want to look around and see if you have anybody else?

MARIANI: We announced for all witnesses to leave, and I think that uh--well, there's nobody else in the room. Thank you.

SMITH: All right. Thank you very much. Thank you very much Sister.

CURTIN: There were two other witnesses that we were planning on calling, but unfortunately, because it is Saturday, they are unavailable. One was a Dorothy Bragg, who is a retired accounting clerk with the Town of Palm Beach, who had submitted a letter on behalf of Ms. Crozier, and had indicated that she was going to come forward to speak on her behalf, but she is out of town today, being Saturday, as well as Grace Peters, retired Town Clerk, who had expressed an interest in coming forward on behalf of Ms. Crozier. She has also submitted a letter, which I believe was attached to the original petition of April 7th that Marie Crozier submitted. I believe her letter--is that correct, Marie?

CROZIER: Um-hm.

CURTIN: Ya. Okay. Both of those persons we were planning on having, but because of the hour and the day it just wasn't--we weren't possible to.

PHETERSON: Mr. Curtin, would you like those--would you like to offer those letters--

CURTIN: I certainly would, yes, please.

PHETERSON: From those two--without them being--able to be authenticated by a witness? Is there an objection, Mr. Randolph?

RANDOLPH: There's no objection.

CURTIN: Thank you. With that, I would like to call Mr. Weeks. I had also--
Mr. Weeks, would you please state your name for the record?

WEEKS: Jason Weeks.

CURTIN: And would you please state--you were sworn in yesterday, is that correct?

WEEKS: Yes, sir.

CURTIN: And you're employed as a fireman with the Town of Palm Beach?

WEEKS: Yes, sir.

CURTIN: Okay, and, if you will recall, yesterday we were pursuing a particular line of inquiry and I think we broke off at a certain point. Were you at the Town in your role as a fireman on duty when you were addressed by Assistant Chief Neal concerning a petition on behalf of Marie Crozier?

WEEKS: Yes. I was.

CURTIN: Can you recall what specifically Mr. Neal instructed you to do concerning that petition?

WEEKS: Well he said it would be pretty much in our best interest if we didn't sign it. Um, we have a soliciting thing at the station, but the way I took it was not to sign it at all. That we would be going against the Town Council and the Town Manager's, you know, decision--so--

CURTIN: Okay. Uh did--in his presentation to the--were there other firemen there when you were--

WEEKS: Yes, the whole shift.

CURTIN: Do you remember any other names?

WEEKS: Um, I think it was on the B shift. Lieutenant Mason, maybe, a couple other guys.

CURTIN: Okay. Um, do you remember--were there some statements made concerning banks--banks regarding Mrs. Crozier?

WEEKS: Yes.

CURTIN: Do you remember what those statements were?

WEEKS: I believe it was about First Union or something--$3,000--something like check kiting or something--

CURTIN: Do you remember whether he told you that--did he state to the best of your recollection that one of the banks was left short $3,000?

WEEKS: Yes.

CURTIN: And--

RANDOLPH: If I might.

SMITH: To the microphone Mr. Randolph, please.

RANDOLPH: I have no objection to this evidence coming in as we discussed yesterday. The Council has determined to let this in, but he's asking what was said, and I think it's very important in this instance when he's asking what another person said that he not lead the witness in the way he just did. This witness was giving an answer and then Mr. Curtin stated--made a statement and asked him if he said that. I'd rather--I think it's more appropriate that he ask with Chief Neal said rather than state for him what Chief Neal said.

SMITH: That sound's fair.

CURTIN: Did Chief Neal state to you that one of the banks had uncollected funds?

SMITH: That's the same thing, Mr. Curtin.

CURTIN: What do you remember Chief Neal stating to you, Mr. Weeks?

SMITH: Thank you Mr. Curtin.

CURTIN: You're welcome.

WEEKS: I remember him saying that one of the banks was left with a $3,000, I believe money, and they weren't going to press charges or anything against her, so I didn't--you know, I didn't really--I didn't take that in. I just listened to him and said okay.

CURTIN: Were you left with the impression that one of the banks was left short $3,000?

WEEKS: Yes I was.

CURTIN: In other words they weren't paid $3,000, is that correct?

WEEKS: Yes.

CURTIN: Did he say anything else about why the banks might not be prosecuting the matter?

WEEKS: Not really, just that they weren't going to press charges against her.

CURTIN: Did he give you any reason as to why not?

WEEKS: Not that I can remember. He just said they weren't going to press charges due to the Town monies in the bank too, or something--I mean, I don't remember the exact words that he said, but--

CURTIN: Did you consider his statements to you a direction not to sign the petition?

WEEKS: Yes, I did.

CURTIN: Okay. No further questions of Mr. Weeks.

RANDOLPH: Mr. Weeks, did you speak to Mr. Curtin or Mr. Mariani between the time you left the stand yesterday and the time you came back here today?

WEEKS: No.

RANDOLPH: In regard to this petition, you indicated that it was spoken to you about the fact that you shouldn't sign this petition because it was against policies of the Town.

WEEKS: Right.

RANDOLPH: But you took it as meaning that you shouldn't sign it at all, correct?

WEEKS: That's the way it was given. I mean, we have a rule that we can't sign things here.

RANDOLPH: Ya.

WEEKS: But being friends with Bob I knew that I would see him on the outside and I would sign it.

RANDOLPH: Okay.

WEEKS: And, yes--I was told not to sign it at all, so--

RANDOLPH: Okay. But that didn't keep you from coming here and saying what you would have said on the petition?

WEEKS: Well, no, but I'm still--I'd still be worried--I'm sitting here now still worried whether or not something's going to happen. I mean, I don't, you know, I don't know. But I'm just doing what I feel is the right thing to do and what I believe's right, and that's all I can do.

RANDOLPH: Good. Thank you very much.

ILYINSKY: Nothing's going to happen, I promise you.

SMITH: No. Everything's fine.

ILYINSKY: If my house catches on fire you can come put it out, because nothing's going to happen.

WEEKS: Okay. I'll do my best.

SMITH: Or not.

ILYINSKY: I know you will.

WEEKS: Okay.

SMITH: Or if you don't want to you don't have to go put out the Mayor's fire. Do what you want to do.

ILYINSKY: No respect, you see.

SMITH: Thank you Mr. Weeks. Thank you very much.

ILYINSKY: I can't believe it. This is like Nazi Germany.

PHETERSON: Mr. Curtin and Mr. Randolph, we've got the letter from Ms. Bragg, marked at this point as Employees Exhibit 9, and the letter from Ms. Peters is Employees Exhibit 10.

?: I just checked with (unintelligible) and Marie was sworn in, I believe, two days ago.

SMITH: On Thursday.

?: Yes.

PHETERSON: Okay. You would still be under oath from that time.

MARIANI: Good afternoon, Marie.

CROZIER: Good afternoon.

MARIANI: I want you to relax and take a deep breath. I know there's been a lot of pressure. Could you describe for us briefly your work history for the Town of Palm Beach.

CROZIER: I started with the Town in 1974 as an entry level clerk and progressed through he ranks to become the Assistant Finance Director, I believe, approximately 14 years ago, and to become the Finance Director 4 years ago.

MARIANI: Okay. Could you briefly describe your responsibilities as an Assistant Finance Director and then describe your responsibilities as the Finance Director?

CROZIER: As the Assistant Finance Director I did precisely that-- I assisted the Director with the management and administration of the Town budgets, payrolls, payables. As the Director, I became the individual primarily responsible for all of those functions.

MARIANI: Do you consider yourself a good employee of the Town?

CROZIER: Absolutely.

MARIANI: Okay. You heard Mr. Dytrych yesterday describe you as a person who wears a button that says you love Palm Beach. What are your feelings about the Town of Palm Beach?

CROZIER: I love Palm Beach.

MARIANI: Tell us why.

CROZIER: I've worked on the island itself probably for about 25 years now. I love this organization and the people in it. I think that for the most part people function as a family. There's a real cohesive unit here. There's a camaraderie to me that I enjoy. I enjoy knowing the people and their families. I enjoy the staff I work with, and I love the work that I do. It's very rewarding.

MARIANI: During your 14 years as Assistant and your 4 years as Director would you please list for us, if you can, all of your superiors during those 18 years?

CROZIER: From when I started, or as Assistant?

MARIANI: No, no. During the 14--you say you were an Assistant for 14 years and then Director for 4 years.

CROZIER: Assistant for 10 years, Director for 4.

MARIANI: Oh, I'm sorry. I misunderstood that, okay. So during that 14 year period could you describe or identify your superiors?

CROZIER: When I first became the Assistant Director the Finance Director was Steve Driscoll, and I believe he was the Director for approximately 3 or 4 years, and then he was replaced with Mike McPhail, who I believe was the Director for approximately 7 years, and then I became the Director after Mr. McPhail. I've served under 3 Town Managers as well.

MARIANI: Go ahead please. Who were the 3 Town Managers?

CROZIER: I served under Mr. Frost, George Frost for, I believe, 16 years. Doug Delano for 3 years, and Mr. Doney for, I guess, the past 7 or 8.

MARIANI: Now, except for the proceeding and the issues that were involved in here, during that 14 year period did any of those superiors ever tell you in any words remotely approaching the words abusive or hostile that you had personnel problems or human resource problems with employees who worked with you?

CROZIER: My human resource relationships were always graded as my primary strengths. I was always commended for that in particular.

MARIANI: None of those supervisors ever told you you had any problem whatsoever in that regard, did they?

CROZIER: Never.

MARIANI: Did any employee ever tell you that during that entire period?

CROZIER: No sir.

MARIANI: And again, except for the issues that were involved here today about, has any employee whose ever been fired by the Town, by you or fired out of your department, ever come back to you and told you in any words remotely approaching those of abusive or hostile or some of the other words you've heard today--have you ever heard that from any ex-employee of the Town?

CROZIER: No, I had one ex-employee ask if they could come back, in fact.

MARIANI: Now other than the issues concerned in this proceeding have you ever before even heard anyone say that someone else told them that you had such a problem--that you were abusive or you were hostile towards any employee you have ever worked with?

CROZIER: No sir.

MARIANI: During your 14 years in the Finance Department were you ever--excuse me, -- during your 14 years in the Finance Department were you ever reprimanded by Mr. Frost?

CROZIER: No sir.

MARIANI: Were you ever reprimanded by Mr. Doney?

CROZIER: No sir.

MARIANI: Now you say you've been Finance Director for how many years?

CROZIER: Four years.

MARIANI: Would you describe for us the awards that you and your department have received during those four years?

CROZIER: We received for the first time, after I became the Finance Director, an award that is referred to as Distinguished Budget Presentation Award, which is typically received by about 4% of the municipalities in the United States and Canada that are eligible. We received, prior to my becoming the Director, but continued to receive, the Report for Excellence in Financial Reporting, and both of those reports are very difficult to attain and represent a significant accomplishment.

MARIANI: In what way? Describe for us what you mean.

CROZIER: In financial government. As far as government individuals it's a coveted document to be able to attain. It has to be a document that is well prepared, well displayed, well laid out, comprehensive in a financial fashion. It's not an easy task. The budget document alone is over 300 pages of financial data.

MARIANI: How many hours go into putting that type of document together?

CROZIER: Probably a good 80--a solid 80 hours I would say.

MARIANI: In your role as Financial Director, do you attend any classes to continue your education and help improve your performance for the Town?

CROZIER: Yes sir.

MARIANI: Could you describe?

CROZIER: Seminars. When seminars are available as they relate to budgeting or supervisory skills, interpersonal skills, revenue forecasting, revenue enhancing, I attend the State Conference every year for the Florida Government Finance Officers Association, which has a multitude of subjects that are covered, and I attend the National Government Finance Officers Association Seminar every year, and both of those are typically 5 days in length.

MARIANI: By the way, was the First Holy Communion successful this morning?

CROZIER: It was wonderful, thank you.

ILYINSKY: The what?

SMITH: The communion. How do you miss on communion?

CROZIER: The wedding was wonderful, but I missed the reception.

MARIANI: Now during your 14 years as Assistant and as Director, have you been evaluated each of those years formally?

CROZIER: Yes sir.

MARIANI: And could you describe the formal evaluation process for the Council please?

CROZIER: The formal evaluation process consists of different areas in which you are evaluated with respect to your work product and things like dependability, your interpersonal skills, things of that nature.

MARIANI: Who does the evaluation?

CROZIER: For me it's done by Mr. Doney.

MARIANI: And when you were Assistant, who did the evaluation?

CROZIER: The Finance Director.

MARIANI: Marie, I'm going to hand you a packet of documents and ask you to identify what those are, please.

CROZIER: These are my performance appraisals, it appears, going back to the beginning of time.

MARIANI: From 1974 through--

CROZIER: From 1974 to 1995.

MARIANI: I'd like to submit these as our next exhibit.

PHETERSON: It would be Employee Exhibit 11.

MARIANI: Now Marie, during all the years that you've been evaluated--during all the years you've been evaluated have you had a chance to review those annual reports?

CROZIER: Yes.

MARIANI: Okay. And during all the years that you've been an employee by the Town has at any time there ever been a suggestion in any of those reports that you've been abusive, or hostile or in any way have had a problem with relating to other employees?

CROZIER: No sir, that's always been reflected as a primary strength.

MARIANI: Now in connection with your position as Director of the Finance Department, do you also solicit commentary from the people who work for you more often than those reports which have just been marked as Exhibits may suggest?

CROZIER: From staff members?

MARIANI: Yes.

CROZIER: Yes sir.

MARIANI: Could you describe for the Council what you do in that regard?

CROZIER: Typically every six months I distribute a form that is typed and it's structured in a fashion where there's a question and there are four answers associated with the question, and individuals are instructed to circle the most appropriate answer. And all of the questions relate to my ability as a supervisor and a manager, and they're additionally encouraged to type any suggestions they might have on the form so that they may remain anonymous. Obviously I wouldn't be able to distinguish someone's handwriting if they did that. And that's typically done every six months.

MARIANI: I'm going to hand you a document and I'm going to ask you to identify it for the Council. It consists of three pages.

CROZIER: This is a supervisor evaluation and the cover memorandum that was distributed with it.

MARIANI: Okay. What is the date of the cover memorandum on this particular document?

CROZIER: March 8, 1988.

MARIANI: Okay. Now can you tell me--the document I handed you, is that the original that you gave to me this morning?

CROZIER: Yes it is.

MARIANI: Okay. Can you tell me where you had that document?

CROZIER: It was at home.

MARIANI: Okay. Can you tell the Council why that document was at home?

CROZIER: This was a project that I, together with my assistant Cheryl Somers, were in the process of trying to update and expound upon to add some more categories; try and strengthen it, so that that answers could be more telling--give us more input about supervisory skills and how subordinates perceive me as a supervisor.

MARIANI: Now this particular document is dated March 8, 1988. Can you tell me whether there are similar reports as this in a file somewhere that would represent the period between March 8, 1988 and say the end of the year, 1995?

CROZIER: Yes sir. They would be in my office.

MARIANI: In your office at the Town in the Finance Department?

CROZIER: Correct.

MARIANI: Is March 8, 1988 about the time when you first started this process?

CROZIER: I believe it was about that time.

MARIANI: I'd like to offer this as our next exhibit.

PHETERSON: That would be Employee Exhibit 12.

MARIANI: I'd like to walk through this document if we could.

SMITH: Could you just wait a minute, Mr. Mariani, until the Council members get their copies?

MARIANI: I certainly will.

SMITH: All right, thank you.

MARIANI: May I proceed?

SMITH: Please.

MARIANI: Mrs. Crozier could I direct your attention to the covering letter and ask you whether your covering letter twice a year as you distributed these to the staff, whether the cover letter pretty much has stayed the same over the years--the substance of the letter.

CROZIER: Yes it did.

MARIANI: And how would you decide when to distribute these questionnaires each year or each six month period?

CROZIER: I typically had it tickled on my personal calendar, supervisor evaluation, and at some point after I saw that note

I would attempt then to distribute them at the next staff meeting. We had monthly staff meetings.

MARIANI: So essentially you would distribute these at a staff meeting--everybody knew what they were, is that correct?

CROZIER: They would have the cover memo attached to them; that's correct.
MARIANI: And then they could um, was there a deadline by which they had to be returned?

CROZIER: Typically I would ask a deadline, I think it was generally a two-week period, and I would ask them to return them to my basket anytime during the day when I was out of the office.

MARIANI: So you never went around to each individual and got their copy back?

CROZIER: No sir.

MARIANI: Now if I can ask you to turn the page over to the actual evaluation form itself. Question number one, you asked your staff twice a year through this anonymous form whether they can communicate with my superior--is that you?

CROZIER: Correct.

MARIANI: Okay. Now the form allows four answers: one answer would be all the time, the next answer would be most of the time, the third answer--possible answer would be some of the time, and the fourth answer would be never. Do you recall in reviewing the evaluation forms answers of your staff, where they fell in this category of four answers?

CROZIER: Typically all of the answers on all of them fell within--

MARIANI: Just--I'm just focusing on question number one.

CROZIER: This answer never fell below most of the time by any subordinate that evaluated me.

MARIANI: Okay, to your recollection from 1988 through whatever the last evaluation form is, somewhere in that office, your recollection is that it never dropped below that level of answer.

CROZIER: No. It would have concerned me had it.

MARIANI: By the way, did you make an effort to get all of the remaining copies of this once this adversarial proceeding commenced?

CROZIER: No I did not.

MARIANI: Now question number two asks the staff member to respond to a question as to whether or not that staff member is evaluated fairly and objectively by his or her superior. Again, does the word superior refer to you?

CROZIER: Yes sir.

MARIANI: Thank you. Can you tell the Council where the answers fell to this question during the period 1988 through 1995?

CROZIER: Never below, in most categories, most of the time--which is the second answer.

MARIANI: I'm not going to read through all the other answers, but would your response be the same, or what would your response be with respect to question number three?

CROZIER: They would never have been below semi-consistently, and I don't remember that ever even being semi-consistently.

MARIANI: Let's drop down to question number six--well, I don't want to, I don't want to miss any questions. With respect to question four, did the answers ever fall below usually fair and just?

CROZIER: No sir.

MARIANI: With respect to question number five, which asks in the area of leadership my supervisor is--did--where the answers fall?

CROZIER: Never below usually a good leader.

MARIANI: With respect to question number six, which asks if I have a problem I can count on my supervisor to help, where did the answers fall?

CROZIER: Never below most of the time.

MARIANI: With respect to question number seven, my supervisor's, is that supposed to be an apostrophe s? I'm a nut about grammar.

CROZIER: Yes.

MARIANI: Okay. My supervisor's expectations of me are: where did the answers fall there consistently?

CROZIER: Never below usually reasonable.

MARIANI: To your recollection there was never an answer to that question, not very reasonable, or totally unreasonable?

CROZIER: No sir.

MARIANI: Question number eight asks whether you, as the person supervisor, instills professionalism in the worker. Where did the answers fall consistently there?

CROZIER: Never below most of the time.

MARIANI: Turning to the last page. Question number nine asks whether you encourage the worker to advance himself or herself. Where did the answers fall with respect to that question?

CROZIER: Never below most of the time.

MARIANI: With respect to question number ten, which asks in any given situation, if my supervisor believes I am right I can count on my supervisor to stand behind me, where did the answers consistently fall there?

CROZIER: Typically that was all of the time.

MARIANI: Was that ever answered some of the time or never?

CROZIER: Not to my recollection. That would have concerned me.

MARIANI: I understand with respect to question number eleven, which asks, my supervisor keeps me informed about what's happening, how did the answers fall with respect to that question?

CROZIER: That one tended to fall in the category some of the time.

MARIANI: And in response to those questions, what was your reaction?

CROZIER: As a result of getting that answer consistently, which was the third best answer, I began holding monthly staff meetings, both in the Finance Department and in the Purchasing Division of the Finance Department in West Palm Beach in an attempt to keep people informed about what was happening.

MARIANI: Did you ever go around and yell at anybody for answering that question below your expectations?

CROZIER: Respectfully, Mr. Mariani, I wouldn't have known who I should have yelled at.

MARIANI: But even so--you never even stormed around the office generally to show your displeasure to that answer, did you?

CROZIER: No sir.

MARIANI: Now, have you and Cheryl re-edited this, or re-done a copy for the next distribution?

CROZIER: We were in the process of doing that. She had just taken a copy and I had just taken a copy home, and it was one of the projects I had been working on at home to accomplish.

MARIANI: Had you and she communicated about any changes, or?

CROZIER: We had a conversation about extending the questions, re-structuring the questions so that they gave better, maybe more definitive answers; that sort of thing. General conversation about how the form could be better put together, but we never got beyond that. She was going to work on what she believed would be good input, and I was going to work at home on what I believed would be good input as well.

MARIANI: Do you ever do Town work at home?

CROZIER: Frequently.

MARIANI: Would you describe to the Council what type of work you do at home and in what frequency you do work at home?

CROZIER: Typically I work at home, I would say never less than three evenings a week, and at least some time during the weekend. The rules and regulations that change with respect to financial requirements and auditing requirements are such that there's a lot of lot of reading material that needs to be gone through, and there's just not the luxury of time during the day to accomplish that, so those sort of things I do at home, and if there's projects that have real time constraints associated with them I'll take them home and work on them there as well.

MARIANI: Do you get paid overtime for any of that work?

CROZIER: No sir.

MARIANI: Now are there any other ways that you solicit from your staff anonymous critiques of your supervisory talents?

CROZIER: I speak about that frequently in staff meetings and remind people in staff meetings that, and it's indicated in this cover memorandum as a matter of fact, and I try to remind people if I can read just one sentence from this memorandum: Please be candid with your response. If I am not made aware of a problem, I cannot correct it. And in staff meetings I would tell people that it's easy to do things, or say things, or use verbiage that you might not realize a person would not be comfortable with, or whatever bothered them I wanted them to come and tell me, so I would tell them in staff meetings, please don't ever hesitate to let me know. Perception is a funny thing. If you see something differently than I do, always come and tell me that. The only way I can know is if you come and tell me, and I had one on one conversations with every subordinate in that regard, and consistently during group staff meetings as well.

MARIANI: Besides those efforts, did, for example, you put a suggestion box anywhere in the office?

CROZIER: We had a suggestion box, but you were only allowed to type suggestions that went into the box. I asked people not to put handwritten suggestions into the box.

MARIANI: And why did you do that?

CROZIER: I just felt that it would give them a better comfort level of putting a suggestion in the box that they might feel was warranted, but perhaps they wouldn't be comfortable with it.

MARIANI: You mean comfortable with it being identified as coming from them?

CROZIER: Correct. I wanted--I was trying to solicit honesty from the employees.

MARIANI: Where is the suggestion box located?

CROZIER: It was located in--there's a kitchen area in the Finance Department for employees to use, and it was located in that kitchen area.

MARIANI: Did you ever ask negatively towards a person who made a suggestion or a critique of your performance?

CROZIER: No sir.

MARIANI: I'm sorry, Mrs. Smith, what time are we breaking?

SMITH: 4:55.

MARIANI: Okay. Thank you.

SMITH: Thank you.

MARIANI: Mrs. Crozier, I'd like to hand you another document and ask you if you can identify it.

CROZIER: Yes. This is a petition that um, I had circulated on April 16, 1996 to Town employees.

MARIANI: It was after this proceeding commenced, or after the-- withdrawn. And can you tell us how the distribution was made?

CROZIER: My husband went to the Public Works Department and Fire Departments to ask individuals who believed the statement contained on this petition to be true. If they believed it to be true, would they sign it?

MARIANI: Did you or your husband put any pressure in any way on anybody to sign one of these petitions?

CROZIER: No sir.

MARIANI: I'd like to submit this as the Employees's next exhibit. It's a three page petition of signatures.

PHETERSON: It will be Employee Exhibit 13.

MARIANI: Marie, do you expect that if the opportunity to sign this petition was not cut off, whether there would be more signatures on them?

CROZIER: I believe there would be.

MARIANI: Thank you. Now there's been much, or at least some, said, and much implied about an interview that was conducted of Financial Department employees by Mr. Crouse. Can you describe in your own words when those interviews started, and what was the event, or what were the circumstances that instigated the interviews by Mr. Crouse?

CROZIER: It was obvious to me that Mary Dinehart, who was a Finance employee, was discontent for reasons I did not know I had been made aware of the fact that she had spoken on two occasions with the Assistant Town Manager, Peter Elwell, and she spoke as well with Mr. Crouse, and had apparently indicated to them that she felt she was singled out and picked on by me as her supervisor, and I didn't believe it was happening, but I asked Mr. Crouse if he would please interview the entire staff to see if maybe subconsciously I was doing something to push her buttons, and if the staff could come back and guide me or lead me and help me to determine what her source of unhappiness was it would be very helpful, and based on that request he began his interviews.

MARIANI: Prior to that time had you issued any reprimands of Ms. Dinehart?

CROZIER: No sir.

MARIANI: Prior to that time had Ms. Dinehart expected a promotion?

CROZIER: She spoke about a promotion.

MARIANI: What did she say about a promotion?

CROZIER: She asked if there were any positions available, and I indicated in a staff meeting that there was an advancement--an account clerk II position available, that was available to anyone who would show the potential to be right for the position.

MARIANI: Okay. Did she ever apply for that position?

CROZIER: She didn't formally apply. She made me aware that she would like to have it.

MARIANI: And did you ever promote her to that position?

CROZIER: No sir.

MARIANI: Can you tell the Council why you did not?

CROZIER: Ms. Dinehart wasn't promoted to the position because in my opinion Ms. Dinehart was an employee who came in, did what was expected of her, and nothing more. She had a tendency to conduct herself in an unprofessional fashion with respect to some pranks and joking type things that she participated in the office, and she had very little initiative. She didn't have what I always referred to in finance as the eye of the tiger.

MARIANI: Was someone else promoted to that position?

CROZIER: Yes sir.

MARIANI: Who was that person?

CROZIER: Kathy Wall.

MARIANI: Who testified, I believe, yesterday.

CROZIER: Yes sir.

MARIANI: And was Mrs. Wall promoted prior to the time of the Crouse interviews?

CROZIER: Yes sir.

MARIANI: So as a result of the Crouse interviews, what communication back from Mr. Crouse did you receive, excuse me, either written or orally?

CROZIER: We had a meeting and he told me essentially that what had come to his attention was that the problem everybody unanimously said was Mary Fae and Leslie Shields; Mary Fae Dinehart. That their joking around in the office and the pranks that they pulled was--were very distracting. Many of them were of a sexual content, and some of the employees found them offensive. They found their behavior to be counterproductive to getting their own jobs done, and that's what he indicated to me was the conclusion of those interviews.

MARIANI: Did he make any recommendations to you

CROZIER: We had meeting--I had meetings with Mary Fae Dinehart and Leslie Shields, and continued to tell them, and you had asked me if Mary Fae had ever received a reprimand. She never received a formal reprimand, but I had many counseling sessions with Mary Fae about her behavior, and her behavior in conjunction with Leslie Shields, so she was aware of my concerns in that regard, so I continued to counsel her in that area.

MARIANI: I see that it's 5 of 5:00. Shall we break now?

SMITH: Thank you. Yes. Why don't we. Thank you.

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SMITH: Mr. Gilbertson, please take your seat. Thank you. Back to your seat, thank you.

ILYINSKY: We've lost Pheterson.

SHAW: No, we didn't lose him.

MARIANI: May we proceed?

SMITH: Please.

MARIANI: Although I think we're one councilman short?

SMITH: Where's Mr. Randolph?

MARIANI: Marie, during the period surrounding what's been called the Crouse interviews, did anyone tell you that you belittled an employee after those interviews?

CROZIER: No.

MARIANI: Mr. Crouse never told you that, did he?

CROZIER: That was never an issue in the conversations that we had at the conclusion of those interviews. That was never brought up.

MARIANI: Did Mr. Doney ever say anything about that at the time?

CROZIER: No sir.

MARIANI: Did Mr. Doney have any involvement during the period surrounding the Crouse interviews?

CROZIER: Not to my knowledge.

MARIANI: Okay, and no one, including Mr. Crouse, ever told you that you reduced any employee to tears, did they?

CROZIER: No.

MARIANI: Did anyone ever tell you during that period that you had made any threats against any employees?

CROZIER: No.

MARIANI: I picked those three words specifically because those were the three words in Mr. Randolph's opening statement to this tribunal. If I asked you the same questions relating to the words abusive or hostile or angry--did any of those words come up during that period in terms of your relationship with any employee in your department?

CROZIER: No sir.

MARIANI: Or, for that matter, any employee from the entire Town?

CROZIER: No sir. In fact, when the interviews were concluded, Mr. Crouse told me on at least three occasions, the staff really loves you, they really love you. He gave me some guidelines for improvement to be a better listener, to attempt not to be friends with employees; that it was difficult at times for people to be friends, but nothing with respect to them feeling that they had been abused or had any dislike of me as a supervisor for any reason.

MARIANI: In terms of some of the people in the department at that time, could you describe, or would you say that Mary Dinehart, Leslie Shields, and Lisa Gorman were best of friends?

CROZIER: I believe they were best friends.

MARIANI: Was there, say, a click among those three people?

CROZIER: Yes sir. They were very close.

MARIANI: Now let's turn to this W-4 issue that seems to be occupying so much time here. Can you tell the Council why in January of '95 you declared 99, uh, I forget the precise term, but withdrawal allowances--

CROZIER: Allowances--99 allowances.

MARIANI: On your W-4 form?

CROZIER: I declared 99 allowances in January because my husband had a business that was not profiting, and the intent was to reduce the withholding amount for a short period of time to compensate for what I knew would be the losses. As the year progressed, things changed that I couldn't predict. My father became very ill in the early part of the year. We found out in early summer that he had cancer, and in July he died. My mother has never worked in her life. She was much younger than my father, so she was not entitled to social security, so the expense of my father's illness and death and the assistance I gave her left us financially strapped, and I chose to defer my taxes away to compensate for that, with the full knowledge that there would be penalties at the end of the year and additional interest that I would have to pay, but I knew that I would receive the Town's longevity bonus, which is typically issued in December, and that I would be able to help minimize the impact of that.

MARIANI: Now during that period of--what business, you described your husband's business--what business was it, or is it?

CROZIER: He's a professional bass guide--fishing guide.

MARIANI: Out at Lake Okeechobee?

CROZIER: Lake Okeechobee and Lake Osborne, yes.

MARIANI: Now was it your intent during that period of problems, or financial troubles with your husband's business and all of the expenses associated with your father's death and helping to care for your mother--was it your intent to get an interest free loan from the government?

CROZIER: No, in fact I was aware of the fact that I would have to pay additional penalties when the year ended, and also additional interest because of the way in which the taxes were paid, by virtue of the fact that they were deferred. They don't let you just defer them. If you do, you have to pay penalties and interest associated with taking the option to do that.

MARIANI: Well instead of paying penalties, why didn't you go to a bank and get a loan at the time, when your father was ill?

CROZIER: I wasn't in a position to get a loan.

MARIANI: Did there come a time later in the year of '95 where you reduced the number on your W-4?

CROZIER: Yes I did in October.

MARIANI: And what did you reduce the number to?

CROZIER: To 10 allowances.

MARIANI: Did you do that freely?

CROZIER: Yes sir.

MARIANI: And had it been your intent early in the year to reduce the number and not use 99 for the--whatever that would be--the ten month period of '95?

CROZIER: It was my intent to do it well prior to October until my father became ill.

MARIANI: Now during the 22 years of employment for the Town, and the 14 years as Assistant Financial Director, and the 4 years as Financial Director, had you ever used the 99 exemptions for that length of period--that is to say that nine or ten month period?

CROZIER: No sir.

MARIANI: Isn't it true that even before, or at the time you came to work for the Financial Department that employees used 99 exem--99--

CROZIER: Allowances.

MARIANI: Allowances, thank you--uh, 99 allowances on their W-4 from time to time?

CROZIER: Yes sir that's been a practice for many, many years.

MARIANI: You did not institute that practice at the Town?

CROZIER: No sir.

MARIANI: And during all those years the Town's accountants had access to all the documents and did annual reviews of all the financial information, did they not?

CROZIER: Yes, they did.

MARIANI: Now in February of 1996, specifically February 28, 1996, were you called by Mr. Doney?

CROZIER: I believe it was February 28th, yes.

MARIANI: Can you tell me what Mr. Doney told you on February 28, 1996?

CROZIER: Mr. Doney called me into his office with Mr. Elwell and told me that there had been some allegations made and that an investigation was being conducted into those allegations, but that he was not at liberty to discuss the nature or details of the allegations at that time.

MARIANI: Did you ask Mr. Doney any questions?

CROZIER: Yes I did.

MARIANI: What did you say or ask of Mr. Doney?

CROZIER: I asked him if he could tell me if they were of a personal nature, and he asked me, personal, how? And I said well, I've been having some financial difficulties and I'm just wondering, because at that time I knew that some people had gone through my desk and taken some of my personal records, or certainly suspected that they had, and I asked Mr. Doney if it had to do with anything personally related to me in a financial aspect, and he said I didn't even know you were having financial problems, is everything okay? And I said everything's going to be okay. With my dad's death, I'm a little strapped, but I'm working it out.

MARIANI: Did you ask him anything else?

CROZIER: I asked him if it had anything to do with Mary Dinehart's concern with respect to the fact that I had claimed 99 allowances, because she had communicated to me that that was a concern for her, and he said he didn't know there was an IRS issue.

MARIANI: So at that time did he put you on administrative leave?

CROZIER: No. I was not placed on administrative leave until March 5th.

MARIANI: Did you communicate at all with Mr. Doney between February 28 and March 5?

CROZIER: Not that I recall.

MARIANI: Now you heard Mr. Doney testify when he was in that chair under oath, that you've never come back to him to try to explain anything about the alleged $63.00 that's missing from petty cash or resolve any of these issues. Did you feel you could go to Mr. Doney to resolve any of these issues?

CROZIER: I didn't feel that I could, because I spoke with Mr. Doney on one occasion. He did call me at home early on after I had been placed on administrative leave, and he indicated to me that, you know, while he was concerned for me personally that he could not discuss any details of the investigation, and I didn't press it beyond that, but given that information, I wouldn't have believed that it would have been appropriate for me to ask him any questions or ask to see him with respect to the details.

MARIANI: Okay, let's look at some of these other allegations besides hostile work environment and the W-4. I'm going to turn your attention to the period, I believe it was April 4, was it not, that Mr. Doney sent you a memorandum relating to his report regarding the administrative investigation of you as Finance Director?

CROZIER: I believe I was handed that report in Mr. Randolph's office.

MARIANI: Okay, was that on April 4th of this year?

CROZIER: Yes sir.

MARIANI: And do you recall that being the Thursday before Easter?

CROZIER: Yes sir, it was.

MARIANI: Okay. And do you recall that you were asked at that meeting to respond in writing by the next day at 4 p.m.?

CROZIER: That's correct.

MARIANI: You were at that meeting with Mr. Curtin, I believe?

CROZIER: Yes sir.

MARIANI: Mr. Randolph, Mr. Doney, was there anybody else at that meeting?

CROZIER: Mr. Duncan attended one meeting, but I don't recall--I believe it was that meeting that Mr. Duncan attended.

MARIANI: Okay. Did you have a reaction to being asked to respond in writing to the report on April 4th?

CROZIER: I didn't really have any feeling about it when I read the memo. Everyone left the room and allowed Mr. Curtin and myself to review the report, and after I read the report I was extremely concerned. It was eleven pages of allegations that couldn't even have been comprehended on first reading, and I knew that it would take some time to read it, interpret it, attempt to determine what the issues were; there were no specifics in the report. I didn't know where any of the allegations came from, so I was very concerned about the time constraint.

MARIANI: Did you ask anybody to identify your accusers?

CROZIER: I've asked on at least two occasions to be given specifics with respect to every allegation that's been made against me--the name of every person who made an allegation, together with the name of every person who sustained an allegation, and I've not been given that information.

MARIANI: So on that Thursday before Easter, April 4 of this year, did you and Mr. Curtin negotiate an extension of time to file a written report with Mr. Doney and Mr. Randolph?

CROZIER: Yes, Mr. Curtin negotiated an extension to Monday.

MARIANI: In fact, your response is dated April 7th, which is Easter Sunday, is it not?

CROZIER: Yes.

MARIANI: Do you recall that some of us worked Easter weekend to try to pull together information to give to Mr. Doney?

CROZIER: I worked the entire weekend.

MARIANI: Can you tell me, Marie, were you aware that there was an outside accounting firm brought in to do a comprehensive audit of the Finance Department?

CROZIER: Yes, I became aware of that.

MARIANI: I mean, did you become aware of it after it was concluded?

CROZIER: I believe I became aware of it after they were engaged.

MARIANI: Were you still in the office working when they were engaged?

CROZIER: No sir, but I had had conversations with my assistant, Cheryl Somers, with respect to some work related issues whereby she needed some direction, and she indicated that there was an ongoing audit.

MARIANI: So April 4th was the first time you heard any reference to a petty cash receipt problem in the Finance Department?

CROZIER: Yes sir.

MARIANI: And on that day and in that report it made a suggestion that you had been improperly benefited by the amount of $63.00 as a result of a cash--petty cash transaction from March of 1995, is that correct?

CROZIER: Yes sir.

MARIANI: What was your initial reaction to that allegation?

CROZIER: I was very confused by the allegation. I didn't believe that it was possible, I'm typically very cautious, obviously, in the job that I do, but with the report I was not provided any supporting documentation that would help me determine what specifics were being referred to, so it was difficult for me to even respond to that allegation at that time.

MARIANI: I think there was testimony in the last couple days that more than, I think it's $17,000 a week or a month goes through petty cash. Do you know that number?

CROZIER: $37,000 a year, last year, went through petty cash.

MARIANI: Okay. When you found out that there was an outside accounting firm doing a comprehensive audit did you understand what the nature of their inquiry was?

CROZIER: No, I did not.

MARIANI: Marie, let's assume for a moment that there had been an investigation of another Finance Department employee going on instead of yourself, and Mr. Doney had come to you and asked your opinion about hiring an outside accounting firm in February or March of 1996 to use over $62,000 worth of time to examine the documents in the Finance Department, what would your recommendation have been to him, if he had come to you with hat suggestion?

CROZIER: I don't believe I would have felt it necessary only because an audit had just been completed. The audit was completed sometime in late December. The scope of every audit, the intent is to determine whether or not there were any issues of substance. I believe the audit firm who conducted the audit that was completed for the fiscal year ending September, but not concluded until December, did a very comprehensive review. There were many staff members in the Finance Department that participated in that review, and I just would not have believed that it would have been necessary to conduct an audit two months later.

MARIANI: And in fact, as far as you know, even though that comprehensive audit was done, and even though we're here in this adversarial proceeding, and you're having to defend yourself in front of the Town, the only thing that's come out of that audit is the suggestion that there's been a either a mistake or a theft associated with a petty cash receipt for March of 1995.

CROZIER: That's what the audit indicates, yes.

MARIANI: May I ask for the Town Exhibit 2 to be tendered to the witness, which is the two-page; it's composite exhibit of the petty cash receipts?

Thank you.

Now, isn't it true, Marie, that you have not had, or you did not have an opportunity to review that until after Mr. Doney's report was completed?

CROZIER: Yes, I requested this documentation after the report was done.

MARIANI: Now in your own words, and as simply as you can, please answer the following question. Would you walk the Council through this exhibit and describe to them to the best of your recollection a year later, what happened on these two days with respect to this particular petty cash transaction?

CROZIER: This petty cash transaction was initiated because Mary Dinehart had indicated to me that it was difficult for her to bring messages to me when I was on the phone, which given where her desk is located it is quite a distance from my desk. And so she asked if it was possible to get an intercom system, which was a reasonable request. So I went to Radio Shack to look for an intercom system that would accommodate not only that situation, but the Risk Manager's office as well, to make it more efficient for everyone who was taking messages. I believe that was on--in early--March 2--the receipt indicates it was March 2nd, and I made a purchase for $105.93, which ended up being for three units. I think the electricians indicated to you yesterday how confusing it was, because I kept buying the wrong units for the office. When they indicated to me, after I could not get the initial units to work, I said that I would take them back at night and get the right ones. My husband came into the office, I guess it was almost a week later, and the intercoms were still sitting on my desk, and he asked me about it and I told him I had purchased the wrong units, so he offered to take them back for me. He was off that day and he said he would take them back, which he did. He returned them. That evening, after dinner, when things settled down, I asked him if he had remembered to do that, and he had, and he told me that the purchase and everything that went with it was in a bag on one of the chairs in the living room. I went to get it to see if he had purchased the hard wired units that the electricians indicated was what we needed, and the receipt was in the bag. When I took the receipt out of the bag and looked at it I saw a credit--the first thing I saw was a credit for $39.95, which was reasonable to me, because one of the purchases that I originally participated in was for $39 ninety something, I knew that. I also saw an additional purchase for $19.99, which was for the new hard wired intercom system that he bought. I made a mental note that when I got to the office the next day I needed to reimburse the Town $40.00 for the return, and have myself reimbursed $20.00 for the new purchase. When I was provided with this documentation and reviewed it, it's clear that I made a mistake. The reimbursement was $22 and some odd cents short--I think $.34 to be exact, and I apologize for that--it was a mistake. It troubled me that it hadn't been brought to my attention. I think that when the reimbursement--the $40.00 which should have been transacted as a reimbursement to the Town was processed, it would have triggered the fact that this transaction did not balance. If there was a mistake here, I obviously would be happy to reimburse the Town for that.

MARIANI: Marie, in your 14 years of employment with the Financial Department, can you think of another time when you made a mistake with petty cash?

CROZIER: I'm not aware of a mistake that I made, but I'm certainly not perfect. I'm, as a rule, very, very accurate in what I do. I pride myself on that, but I'm certainly far from perfect. It could have happened.

MARIANI: Who was the petty cash clerk, by the way, at this time, handling all the petty cash receipts?

CROZIER: Mary Dinehart.

MARIANI: And as far as you know, after $62,000 worth of hours were expended by the outside accounting firm, this is the only discrepancy in petty cash that was discovered, is that true?

CROZIER: That's my understanding.

MARIANI: Marie, did you ever attend a lingerie show at lunchtime?

CROZIER: Yes, I did.

MARIANI: I think you're going to have to describe to the Council the circumstances surrounding your attendance at a lingerie show at lunchtime.

CROZIER: There were two male employees who worked in the Finance Department, and it was my birthday and they asked me if they could take me to lunch for my birthday, and I thought that was very nice, and I went, and we went to a restaurant--I had no knowledge where we were going--called Legends on Southern Boulevard, and after we sat down it was apparent to me that they were having a lingerie show there. Those two gentlemen were rather proud of themselves that they had duped me into it, but I thought it was in good fun. There was nothing distasteful about it, so I took it in good spirit, for, I believe what it was intended.

MARIANI: How long was the lunch?

CROZIER: An hour.

MARIANI: When you came back to the office was there any discussion about it?

CROZIER: I recall saying they got me, they done good, they were real proud of themselves, but that it was a good spirited thing to do. I think that they truly only meant it in fun.

MARIANI: Was there any articles of lingerie brought back to the office?

CROZIER: If there was, I had no knowledge that that happened.

MARIANI: You didn't bring any back, did you?

CROZIER: No, I didn't.

MARIANI: Now there's also an allegation brought by the Town Manager about some, let me try to be specific--about you making an obscene gesture on December 29, 1995. Do you remember Mr. Marchman testifying yesterday?

CROZIER: Yes I do.

MARIANI: Okay. Can you describe for the Council what transpired on December 29, 1995 that somebody is describing as you making an obscene gesture?

CROZIER: The way that I understood the report--I was not working that day; I had taken the day off, and I came by Town Hall to pick up some, as I recall, audit documents to review, and when I came in the office Mary Dinehart told me that she had had a conversation with Mr. Marchman that concerned her. That she'd indicated to someone that they couldn't get a parking ticket voided, or a resident permit sticker issued--I really don't recall the specifics of what it was, but she was extremely upset, and I called Mr. Marchman, and I remember joking with him good naturedly about whether or not the woman was good looking--if that was what prompted his decision, and we laughed, and apparently the allegation is that I was extremely angry at him, that I berated him, that my husband was waiting outside for me laying on his horn, and the obscene gesture, I believe, they think was directed at my husband, not at Mr. Marchman.

MARIANI: Did you make any obscene gesture on that day?

CROZIER: Not to my recollection. No one will tell me what it was supposed to have been.

MARIANI: Has anybody given you any detail about that?

CROZIER: No.

MARIANI: Marie, do you do any personal banking anymore at either First Union or Great Western on the Island?

CROZIER: No sir.

MARIANI: And why have you decided not to bank with those two banks anymore?

CROZIER: Because I was having problems with my account, and because I did not believe that obviously Mr. Doney was comfortable with me transacting business with banks on the Island, so I moved my account off Island.

MARIANI: Do you owe either of those banks any money?

CROZIER: Absolutely not.

MARIANI: Do you have any loans outstanding with either one of those banks?

CROZIER: Yes I do.

MARIANI: And in connection with that loan, you obviously owe them money with respect to that loan?

CROZIER: With respect to the loan I do.

MARIANI: But in respect of any other obligation to them, do you owe them any money?

CROZIER: No sir.

MARIANI: Has anybody at the bank ever suggested to you that you owe them any money?

CROZIER: No sir.

MARIANI: By the way, Marie, I notice that Major Reiter has been sitting in the chambers all during this proceeding ever since he testified briefly the other day, and he's here today again. Do you know whether he might have any ax to grind with you?

CROZIER: The only interaction that Major Reiter and I have ever had that would not probably --he would not have been receptive to, is I was involved in a conversation with respect to damage to a police vehicle in his driveway and the insurance claim that surrounded that particular incident, and whether or not damage to his personal property should be covered by the Town or his own homeowners policy.

MARIANI: Do you think that may be why the Police Department is keeping its investigation open?

CROZIER: I have no idea why they're doing that.

MARIANI: Have you ever borrowed any money from any subordinate other than Ms. Kelly, who testified the other day?

CROZIER: No sir.

MARIANI: Do you know why Mr. Doney's report would suggest that you borrowed money from multiple subordinates--do you have any idea?

CROZIER: Not only do I not have any idea; I've asked for the names of those people, the dollar amounts, when they allege I did not pay them back, if they reminded me, if they had perhaps purchased lunch or a soda or whatever, that they owed me money, and I've not been able to get that information either.

MARIANI: Marie, have you ever berated an employee in your department in front of any other employee?

CROZIER: No sir.

MARIANI: Have you ever had to discipline any of the people in your department?

CROZIER: Yes sir.

MARIANI: Could you describe for the Council the way you reprimand employees in the Finance Department?

CROZIER: During the orientation process that takes place in Finance, one of the things that I make it a point to do is tell a new hire that if there is ever an issue, whether it be with me and the subordinate, or the subordinate with me, that it obviously needs to be taken care of, but that I would always take them behind closed doors to discuss it, and if they ever had a problem with me, they could feel free to do exactly the same thing, as long as they gave me the same courtesy of closing the door.

MARIANI: Marie, I forgot to ask you one question regarding the banks. You have a loan with First Union.

CROZIER: That's correct.

MARIANI: As a result of all this activity and all the inferences and all the innuendo that's been raised about your personal banking, has First Union called that loan?

CROZIER: No, they have not.

MARIANI: Marie, have you ever been so intimidating and humiliating in manner and word choice that subordinates in your office were reduced to tears?

CROZIER: There have been subordinates during reprimand sessions, who have cried. I never for a minute believed it was because they felt that they were being intimidated or berated or humiliated. In every occasion that I can recall that that happened, I was given the impression, and asked the employees, that they were as disappointed in themselves for something they had done as they believed me to be. But not because they felt they had been harassed or harangued by me during the disciplinary action.

MARIANI: So you mean as out of a result of their disappoint in their job performance they cried, or they disappointed you, is that the nature of your testimony?

CROZIER: Yes sir.

MARIANI: Now can you help the Council to understand, because I think this is very important, the number of occasions something like that may have happened in the 14 years you've been in the Finance Department?

CROZIER: I can only remember Mary Dinehart crying once. Debbie Kelly cried several times. Debbie Kelly is a very emotional person. She wears her heart on her sleeve. If she believes that she's done anything less than perfect it's devastating to her. It wasn't uncommon for her to be that concerned about her own job performance.

MARIANI: Can you think of anyone else who has cried as a result of any sort of reprimand from Marie Crozier?

CROZIER: No sir.

MARIANI: Marie, just to make sure that this is a part of the record, I'm going to hand you a copy of your April 7th, your Easter Sunday response to Mr. Doney, and ask you if it is what it appears to be with all the exhibits, and then I'm going to ask counsel to make it part of our exhibits if it's not already in the record.

PHETERSON: It is not.

CROZIER: Yes sir, this is my response.

MARIANI: I'd like this marked as our next exhibit.

PHETERSON: It would be Employee Exhibit 14.

MARIANI: Marie, while those are being distributed, I want to ask you a couple of questions about the infamous coffee and birthday fund in the Finance Department. Can you tell us how that fund was created, or why it was created?

CROZIER: I created that fund several years. I couldn't even begin to tell you probably at least ten years ago. The intent--initially there was only a coffee fund, and coffee was purchased on a rotating basis. One person would go, and then the next person would be selected to go and so on. And it got to the point where no one knew whose turn it was to go, and everyone started arguing about who had gone last, so to simplify the whole process I started a fund whereby everybody would put in $2.00 a payday, which represented, I think, $.20 a day if you drank coffee, and I told them I would be responsible for going to get the coffee from that date forth, and I did. In an attempt to work on some bonding and making the office cohesive, I added a birthday fund whereby you would put in $1.00 a payday or $26.00 a year. The gifts that were purchased for employees as birthday presents were always for $25.00, so there was no opportunity to have excess in those funds. About three or four years ago, when the price of coffee skyrocketed, I never changed the contribution to the coffee fund. When the coffee fund ran short, I would pick up the difference. If there was money in the coffee fund, and they were commingled, and a birthday came up and there was $25.00 in the fund in total, it would be used to purchase a gift. If, on my next trips to the grocery store, the fund was short the amount needed to buy coffee, I would just pay the difference, make a note of it, and then attempt to collect it as the envelope was circulated.

MARIANI: There's a suggestion, I guess would be the best word, or innuendo, in the allegations that money was regularly missing from the funds, and implying that you regularly took money from that fund. Is there any truth to that--that you took money from the coffee fund?

CROZIER: I never took money from the coffee fund or the birthday fund. I made up shortfalls in the fund. On every single occasion that there was a holiday, I made it a point to purchase a personal gift out of my own funds for every individual in the Finance Department. So if I was making a profit on the fund, I wasn't faring very well, because it was being used in turn to purchase gifts for the individuals who say I was stealing the money.

MARIANI: Marie, are you offended that the privacy--withdrawn. Were there times when you included, or you asked that deposits would be made to your personal account as part of the normal daily bank run to the bank?

CROZIER: Correct. I did. Yes I did.

MARIANI: There's been a--did you ever ask that that be done other than on the normal run to the bank by the particular employee who did that?

CROZIER: I never asked an employee to make a special trip for me, and in fact, if an employee wasn't going to Great Western, which was the bank that was not on the Town's run every day, I would not allow them to go specifically for me.

MARIANI: And who were those people, so we can put some names with concepts here. Who specifically is the person, over the past year, who has made the run to the bank from the Finance Department?

CROZIER: Donna Bragel.

MARIANI: Who was here the other day?

CROZIER: Yes.

MARIANI: And testified before the Council.

CROZIER: That's correct. She provided a statement, as well, I believe.

MARIANI: On your behalf.

CROZIER: Correct.

MARIANI: So all these innuendo and allegations that the frequency of what you did was higher, and inconvenient on Town time. Do you have an opinion about the accuracy of those allegations?

CROZIER: I don't believe that statement is accurate, and when that issue was brought up during July interviews, Mr. Crouse mentioned it to me, and I asked him if he thought it was a problem to include employee's deposits with the Town deposit, and he indicated to me that if it was incidental to the transaction that was taken place, if someone wasn't making a special trip, that he didn't believe that it was a problem, and during our conversation with--when we spoke with Mary Dinehart at the end of that conversation, he said if I have a secretary that's on her way out to lunch I'll ask her to pick lunch up for me, the same sort of thing. If they're going someplace and I need something done, I'll ask them to do it--he told her if you absolutely don't want to do it, say you absolutely don't want to do it. And I told Ms. Dinehart, or anybody else in the office if they ever had a problem with anything I asked them to do please bring it to my attention. It would not have been a problem for me.

MARIANI: And that process was described to the Council the other day, whereby all that material, all the deposits for the Town, and then the other deposits for the individuals were in a bag. The bag was brought to the bank, handed to the teller; moments later whatever resulting documentation came back, and the runner would bring the bag back to the office. Is that your understanding of how all those transactions occurred?

CROZIER: Yes sir.

MARIANI: So if your particular deposit was in the bag, two or three or ten or twenty times more than anybody else's it would not have used up any more bank time or Town time than otherwise would be employed in the normal course of events of the deposits being made for the Town, isn't that true?

CROZIER: That's true.

MARIANI: Now, with respect to the petty cash receipt, do you recall Mrs. Wall's testimony where she previously, I believe, had been the petty cash clerk?

CROZIER: Yes sir.

MARIANI: And she said that this mistake, as you've identified it, would have and should have been uncovered by the petty cash clerk at the time it occurred. Do you agree with Mrs. Wall's testimony?

CROZIER: Yes sir.

MARIANI: You've never been the petty cash clerk, have you, in the office?

CROZIER: In the very beginning of time, yes sir, I was.

MARIANI: And are the procedures the -- not the beginning, just about 14 years ago, right? Have the procedures generally been the same over that period?

CROZIER: Yes sir.

MARIANI: So you, as director now, you in a sense have inherited those procedures from your former director, isn't that correct?

CROZIER: Yes sir.

MARIANI: And again, so it's perfectly clear, and I'm sorry to exhaust this, but Marie, have you ever taken any money from the Town of Palm Beach?

CROZIER: I would never, under any circumstances, take any money from this organization. I absolutely would never steal a cent from the Town of Palm Beach. It appalls me to believe that someone could even think that I would do such a thing.

MARIANI: I have no further questions.

End of Tape 10

Tape 11- 5-4-96

RANDOLPH: Good evening.

CROZIER: Good evening.

RANDOLPH: Mrs. Crozier, you spoke in response to Mr. Mariani's question about a form that you circulated amongst your department, and you provided us a with a sample of one of those forms today. We don't have all of the forms that you collected since 1988, do we?

CROZIER: No sir.

RANDOLPH: In fact, the only form that the Council has is one that you and your lawyer have presented, I guess which represents the response of perhaps one individual, at one specific time, from 1988 forward.

CROZIER: Correct.

RANDOLPH: And as I understand it, you haven't gone through those forms to tabulate what the responses would have been in each particular case. You were just stating your recollection, in other words, if there had been a different response to any of those questions you would have been concerned about it and you would have done something about it. Is that correct?

CROZIER: Yes sir.

RANDOLPH: Now, how did you formulate those questions. Did you make them up,or did you go to some sort of a book for it--how did you formulate the questions that are on that form?

CROZIER: I formulated those questions from having attended seminars about interpersonal relation skills, and supervisory skills, and someone had indicated that it was something that they did in their organization and I thought it was an excellent measuring stick for staff to be able to tell you honestly how they felt about your performance.

RANDOLPH: Do you have a copy of the form in front of you?

CROZIER: Yes sir, I do.

RANDOLPH: Is there any question on that form which asks if my supervisor is fair in her treatment of me?

CROZIER: No sir.

RANDOLPH: Is there any question on that form which asks how can I improve conditions within this department?

CROZIER: No sir.

RANDOLPH: Is there any question which asks the employee to list anonymously any complaints an employee may have against you?

CROZIER: Yes sir, that's contained in the cover memo.

RANDOLPH: And that's the last paragraph.

CROZIER: No sir, the cover memo, feel free to type--

RANDOLPH: Ya, the last paragraph of the cover memo.

CROZIER: Um-hm.

RANDOLPH: Which says, be candid with your responses. If I am not made aware of a problem I cannot correct it?

CROZIER: No sir. The paragraph above that--feel free to type any additional statements you would like included in this evaluation.

RANDOLPH: Okay. Thank you. Now, you indicate that you never acted negatively toward someone who made--you never acted negatively toward someone who made suggestions about your performance, is that correct?

CROZIER: Yes sir.

RANDOLPH: Now, do you recall receiving a letter from Mary Dinehart in which she advised you, and I'm referring to a letter of July 19, 1995, in which she advised you that she was told by you in front of other Finance employees that because I didn't make a personal deposit for you it would be reflected on my evaluation. Do you recall receiving that letter?

CROZIER: Yes. That was in the same spirit as the lingerie show. It was meant to be funny.

RANDOLPH: It was meant to be funny when you told her that in front of other employees, that it would be reflected on her evaluation if she didn't take a deposit for you?

CROZIER: Mr. Randolph, Mr. Crouse told me he told an employee that for not making coffee.

RANDOLPH: Okay. How about the portion of this letter which indicates that an incident which occurred on July 11, in which you reprimanded her in front of the entire Finance staff for not announcing a phone call to you. Did that incident happen?

CROZIER: I used a harsh tone in speaking with Ms. Dinehart in the outer office. A call was placed into my office. I came into the outer office and in an irritated tone said who put that call in my office. Mary Dinehart said I did, and I said please, Mary, don't ever do that again. The woman was so irritated by the time she got to me, because she had to explain her story all over again.

RANDOLPH: So what you said to her in front of the other employees was please don't ever do that again?

CROZIER: In an irritated tone of voice.

RANDOLPH: You said it-- all right. Now, she says in her letter to you that your outburst toward me caused me great humiliation and embarrassment in front of my co-workers. Do you remember her feeling humiliated and embarrassed?

CROZIER: I remember that as the one occasion that she cried. I also recall apologizing to her three times separately, and once in front of the entire staff during a staff meeting, if that irritated voice made her feel that badly.

RANDOLPH: She also indicated that on July 14 you allowed Kathy Wall to verbally abuse her and call her a liar, and that you did not do anything about that. You created a situation where the two of them apparently were together in a room with you, and you had no response to Kathy Wall for calling Ms. Dinehart a liar.

CROZIER: When Kathy Wall lost her temper with Ms. Dinehart, Mrs. Dinehart immediately stormed out of the room. At that exact moment I asked Kathy Wall to please calm down, but Mary Dinehart had already left, so she was not, obviously, privy to that comment.

RANDOLPH: The letter indicates that the situation in Finance has deteriorated to the point that it has caused me, Mary, emotional hardship that has affected her personal and professional life. Now, I know you can't necessarily know how she might have felt in reaction to something you might have said, but was there a meeting that occurred with employees in Finance and Mr. Crouse--would this be the meeting in July of 1995, that you asked Mr. Crouse to have with the employees?

CROZIER: Yes sir.

RANDOLPH: And did that meeting occur as a result of some of these incidents that we've just discussed?

CROZIER: No. That meeting occurred before that grievance was filed, and I think in her last paragraph she indicates that she had been encouraged to put it behind her and move on.

RANDOLPH: Do you remember when that meeting was, that was held in Finance with Mr Crouse?

CROZIER: Mr. Randolph, I believe it was in June or July, but that was during my father's illness and death, so I couldn't be exact on the date.

RANDOLPH: You indicated in response to questions asked by Mr. Mariani that when you talked to Mr. Crouse that you heard no words such as abusive, belittling, or those types of suggestions from Mr. Crouse when you met with him after he had met with employees in the department, is that correct?

CROZIER: He never indicated to me that employees felt belittled or humiliated, no sir.

RANDOLPH: Do you recall the things he did talk to you about after he had met with the employees within your department?

CROZIER: He talked to me about several things. He gave me a bullet list of improvement items.

RANDOLPH: Now, do you know who he met with at that time?

CROZIER: I don't know. I thought that he had intended to meet with every staff member. I know that he didn't meet with Barbara Martinuzzi, because he indicated that he wanted to focus on the primary Finance employees.

RANDOLPH: Let me, if I may, show you a copy of what might be termed a bullet list and ask if you've seen this. Before we go ahead, if we go ahead and have the uh-- This is a list of statements with the date 7-13-95 at the top, and let me ask you, Mrs. Crozier, is this the bullet list that you were handed at the time?

CROZIER: Yes it is.

RANDOLPH: Now--

PHETERSON: And you would like this marked as an exhibit, sir?

RANDOLPH: Yes I would.

PHETERSON: Okay, this would be Town Exhibit 11.

ILYINSKY: Mr. Randolph, may I ask you, please, sir, what is a bullet list?

RANDOLPH: I think it's a--Mrs. Crozier in her response to my question as to what they discussed indicated that she was given a bullet list and they discussed it, and I believe that simply means an itemized list of items that they discussed.

PHETERSON: Ya, and I think the punctuation to the left hand side is often called bullets.

CROZIER: Correct.

PHETERSON: Okay, I don't mean to testify, but.

RANDOLPH: But thank you for your help.

Do you recall in July of 1995 being asked--being told by Mr. Crouse not to lose your composure, to take time before you address an issue that makes you angry or is unpleasant so as to eliminate any emotional reaction, show your employees that they can discuss anything with you without your becoming upset. Don't just tell them they can talk to you, but show it by your actions. Do you recall having a discussion in regard to that?

CROZIER: Yes, I do.

RANDOLPH: Let me, if I may, to assist with this, show you--well, first of all, what do you remember Mr. Crouse having said to you in that regard?

CROZIER: I remember Mr. Crouse telling me that it is easy to determine my emotion when I am upset about something, and that employees had indicated to him that if I appeared excited that it made them uncomfortable, and to work on speaking more softly and calmly.

RANDOLPH: Let me, if I may, in regard to that same bullet list now hand you a copy of that list with some notes made on it. This would be the Town's next exhibit.

PHETERSON: I'm sorry, has this been identified?

RANDOLPH: This is the--yes, the same bullet list with some notes made on it.

PHETERSON: But has it been identified by the witness?

RANDOLPH: Oh, yes, is this--does this appear to be a copy of the items that you discussed on that day?

CROZIER: The typed items are the same. The items that are handwritten in are not items that we discussed.

RANDOLPH: You did not discuss--

MARIANI: Object to the use of this exhibit. The handwriting has not been identified, yet it's been distributed to the Council.

PHETERSON: It has not. That's why I waited. Just so that your voice is recorded and we get the objection with the mic on, re-state it if you would.

MARIANI: Objection.

PHETERSON: That's why we get the big bucks.

MARIANI: Object to the exhibit. The handwriting has not been identified.

RANDOLPH: All right. I thought we were letting all these exhibits come in, petitions, or whatever, but--I mean I--

PHETERSON: Well there's been--that was identified--for example the petition was identified and came in without objection. And this, there is an objection, is this--let me just ask if I could, is this--do you have a copy of the exhibit with the handwriting on it?

CROZIER: Yes I do.

PHETERSON: Okay, and that's not your handwriting?

CROZIER: No, it's not.

PHETERSON: Have you ever seen that before?

CROZIER: No I have not.

RANDOLPH: Okay. Let me just ask questions then.

PHETERSON: Okay. Mr. Mariani, just so you know, I've got all those copies right here still.

MARIANI: Thank you.

RANDOLPH: Now, are you--do you remember what was discussed between you and Mr. Crouse in regard to that first item, and do you know why Mr. Crouse would have told you not to lose your composure, take time before you address an issue that makes you angry or is unpleasant?

CROZIER: He told me that I have a tendency to become excitable, which it's obvious, I think, to detect if I'm angry or to detect if I'm happy, and he asked me to try and not appear excited when I was talking about an unpleasant issue, that I should work on that.

RANDOLPH: Do you know--did that result from employees having come and talk to him?

CROZIER: This list supposedly?

RANDOLPH: That bullet list, the one without the handwritten notes on it.

CROZIER: Without the handwritten notes on it.

RANDOLPH: All right. Now, do you know that Mr. Crouse indeed talked to people other than Mary Fae Dinehart and Leslie Shields from your department before you and he discussed this bullet list?

CROZIER: I'm certain he did.

RANDOLPH: The next bullet says don't tear or degrade another person that you have a professional or personal problem with. Why would Mr. Crouse, after having met with people in your department, tell you not to tear or degrade another person that you have a professional or personal problem with?

CROZIER: I specifically asked him that question, Mr. Randolph, because I was very concerned about the statement, and I asked him if he meant person or employee, and he told me that a story was communicated to him by an employee that I had communicated to them a very distressing personal incident that took place outside the office with a non-related Town employee, and I was very upset in repeating the story, and it was my understanding that that's why this said person, and not employee. We spoke about that.

RANDOLPH: All right. Now, also on that bullet it says handle the situation with facts, not opinion. Discuss personal issues with appropriate individuals only, and don't use vulgar language when discussing these situations. Why, after meeting with the people in your department, would Mr. Crouse discuss with you not to use vulgar language when discussing these issues with individuals?

CROZIER: I have been known to use profanity in the Finance Department. I do not use vulgarity when I discuss issues with staff members in the Finance Department. He had indicated to me that I relied on Debbie Kelly oftentimes to discuss subordinate related problems, and she found having to deal with that very distressing, so to keep those concise and to the point, and speak only about facts and opinions, and not how I perceived issues.

RANDOLPH: Well, didn't you indicate to us earlier in your testimony that you really weren't aware of any of these types of problems within the Department, other than the problems that Mary Fae Dinehart and Leslie Shields had with you?

CROZIER: Aware of what problems?

RANDOLPH: Of the problems that we are talking about about the use of vulgar language when discussing situations, about losing your temper, the things that we've discussed in the first two bullets.

CROZIERS: I told him that I did not use vulgar language when discussing subordinate related issues, and I thought the question you asked me was had I been told that I had acted in a hostile, berating, or humiliating manner, and I don't believe that I have.

MARIANI: I'm going to object to further use by Mr. Randolph of the word "problem"; the word problem only appears one time in this document, and it's at the bottom of the document where it says in staff meetings only address general problems. There's nothing in this document that suggests that the bullet items that he's asking questions about pose a problem in anybody's mind. So I object to his use of the word "problem" in that regard.

RANDOLPH: Thank you, I'll take note of that in my questions.

On this first bullet, did you and Mr. Crouse discuss you seeking help to control your temper?

CROZIER: Absolutely not, and Mr. Randolph, as the Personnel Director, I think it would be remiss on his part not to have reduced to writing his belief that I needed medical help to control my temper. That's something if I was talking to a subordinate about, and I really felt that they had a problem, and felt that strongly about it, I would go out of my way to make sure that they followed through and did that, if I really clearly saw the need for them to have it.

RANDOLPH: Okay. Let's go then to the third--

MARIANI: (unintelligible).

RANDOLPH: Let's go to the third bullet. While you want to have a friendly relationship with your employees, it is unwise to become too close of a friend with people you supervise, because it will create an uncomfortable situation when difficult decisions and actions must be taken. Why, after this meeting with the people within your department, would Mr. Crouse have found a need to reflect that?

CROZIER: I believe that's a shortcoming that I have, Mr. Randolph. I tend to be friends with every single person I work with. They're not just my subordinates; they're people; I like them; I'm fond of every one of them, and Mr. Crouse saw that as potentially something that would not always work out favorably on my behalf.

RANDOLPH: Did he discuss at that time that some people may perceive your friendship as favorable treatment to some, while not others?

CROZIER: He indicated to me, my recollection is, that it would be difficult in his mind for me to objectively evaluate people that I maintained personal friendships with.

RANDOLPH: And indeed you had maintained personal friendships with several people within your department.

CROZIER: Yes sir.

RANDOLPH: Now, in addition, there is a bullet which says become a good listener by simply saying less and showing a sincere desire to know what may be bothering your employees or what ideas they may have that may improve the operation. Why, after meeting with the employees in your department, did Mr. Crouse feel it necessary to advise you of this?

CROZIER: My response to him was I found it difficult that that was on this form. They had the Supervisory Evaluation option open to them approximately every six months. As I indicated, there was a suggestion box in the employee's kitchen, where any issues that bothered them could have been brought to my attention on any day.

RANDOLPH: Was there any discussion at that time of you needing to practice what you require of others--you needing to do what you require of others?

CROZIER: No sir.

RANDOLPH: The next bullet says in staff meetings only address general problems or policies when it pertains to everyone, however, if a specific problem exists with an individual employee, address the issue directly with that individual. Do you know why, after meeting with all of the employees, Mr. Crouse found it necessary to tell you about this?

CROZIER: Because I was having problems in the department with those two individuals, Mary Dinehart and Leslie Shields, I attempted to try and work on some of those issues in a general fashion in staff meetings. Please don't participate in inappropriate behavior of a sexual nature, or please don't allow the office to appear as though it's here for the purpose of socializing or joking, and people who honestly believed that they did not conduct themselves in that fashion resented being included in it.

RANDOLPH: Well, let me ask you--did you have a concern that these things were being discussed in July of 1995, yet you never received any responses such as these from your anonymous forms that you sent out since 1988?

CROZIER: I was--I didn't consider it, Mr. Randolph, because I continued to send out the forms and got the same answers, and I believe Lisa Gorman testified yesterday that in retrospect she may have graded me higher than she should have, but it's difficult for me to look at a form and believe that it means something different than it says.

RANDOLPH: But you learned after this July 13th meeting that there were some concerns within your department that you hadn't known about before that.

CROZIER: Yes sir.

RANDOLPH: And that indeed people within your department other than Mary Fae Dinehart and Leslie Shields had concerns about the manner in which you related to them.

CROZIER: He never confided in me where these issues came from. They could have come from one person. They could have come from everybody. I have no idea.

RANDOLPH: But you know that it came as a result of a meeting with all of the people in your department, or several people within your department. You indicated Barbara Martinuzzi may not have been there.

CROZIER: Right. But I don't who brought these issues to the table.

RANDOLPH: Getting on to the issue of the W-4s. You indicated that you declared 99 allowances because you were having--your husband had a business which was not profiting at that particular time, and that you were having some other personal problems. Isn't it true that on twenty--at least twenty occasions since December of 1988, over a period of 7-1/2 years, you filed W-4 forms declaring 99 exemptions?

CROZIER: Yes sir, I said that I had never done that for that extended period of time. I did that with respect to my husband's business as well.

RANDOLPH: Well, were you having financial problems over this 7-1/2 year period of time?

CROZIER: I knew that based on the profit my husband's business was making that I was entitled to more allowances because I knew that there would be write-offs at the end of the year for me in conjunction with his business.

RANDOLPH: Let me show you a package of these W-4 forms, and ask if you can identify these?

CROZIER: Yes sir, those are mine.

RANDOLPH: Thank you. I would like to introduce this composite exhibit as the Town's next exhibit.

MARIANI: I'm going to object to the exhibit as it's put together. The witness has identified these forms, but the way they're put together I think there's implication that there are no forms, W-4, between (unintelligible) and I think the composite exhibit can be very misleading in that regard. In other words the first page is dated 1-3-94; the second page of the exhibit is dated 8-2-93; and as a result of that it's unclear whether there, in fact, there must be, W-4s between those two periods, or else there wouldn't have been a W-4 prepared on these dates.

RANDOLPH: I'm only introducing these to show that indeed this practice was engaged in by Mrs. Crozier over a long period of time.

MARIANI: But the witness has never testified that she did not do it previously. Her testimony was that she never had declared 99 for an extended period of time.

RANDOLPH: Fine.

MARIANI: I again raise my objection to the composite nature of this exhibit, because it suggests that it has been done over an extended period of time.

SMITH: Well, then Mr. Randolph can simply read the dates of the papers that he has in his hand.

MARIANI: That would be fine, yes.

SMITH: Go ahead, Mr. Randolph, read the dates.

RANDOLPH: They're all before you. I mean, I'm not implying anything other than what these documents say.

SMITH: No, they are not before us.

PHETERSON: They're not before them at this point. I've withheld it pending consideration of the objection. Let me, if I could--the--

MARIANI: If we can have--maybe I can shorten this--if we can have a stipulation that counsel is not trying to infer that for the entire period between the earliest date and the latest date that this witness declared 99 exemptions, then that's fine.

RANDOLPH: I will. I will so stipulate.

MARIANI: The witness has testified that 1995 was a difficult year, and that during that period from January through October--

RANDOLPH: I just stipulated. I don't understand--

SMITH: Well he stipulated it, Mr. Mariani, and we will look at the dates very carefully and not infer anything from the exhibit other than as presented.

SHAW: Let me just ask, is that the same inference on the ones that you gave us for Mary Dinehart?

MARIANI: Yes it is. I never made the suggestion that she had done it for extended periods of time.

PHETERSON: All right. This will be Town's Exhibit 12.

RANDOLPH: Now, Mrs. Crozier, do you have before you a copy of your April 7th, 1996 response to Mr. Doney?

CROZIER: Yes I do.

RANDOLPH: I'd like to have you turn to page 2 under the item Alleged IRS Issue. I refer you to that portion of your response which indicates that it--it was common--at the bottom--it was common practice for Finance to allow employees to declare 99 dependents so that no taxes would be withheld from their longevity checks, and it was with this knowledge that I recall I indicated to the Town's auditors that all such forms would be forwarded beginning with the first quarter of 1996. Is that a correct response to that issue? This is the response you gave to Mr. Doney, right?

CROZIER: Yes sir.

RANDOLPH: And is that your understanding of the response that you gave to the Town's auditors that these forms would be filed beginning with the first quarter of 1996?

CROZIER: I believe we had a conversation to that extent, yes.

RANDOLPH: Let me, if I may, refer you to your letter of December 14, 1995, which has already been put in evidence, and do you have a copy of that with you?

CROZIER: No I do not.

RANDOLPH: Let me, I'll show it to you, but I want to read this portion of your letter.

PHETERSON: Mr. Randolph, what--

RANDOLPH: This is a December 14, 1995 letter from Marie Crozier to Mary Fae Dinehart.

PHETERSON: And this was put in previously by you?

RANDOLPH: Yes.

PHETERSON: With Town Exhibit 4?

RANDOLPH: Because I have to read it I can't hand it to you, but I'll show it to you after I read this. You indicate in this letter that--that -- I'll read the whole sentence, he believes it would be extremely remote for the IRS to penalize the Town because the Town did not knowingly fail to report this information, and in fact, began to report this information immediately within the quarter the Town became aware of same. Isn't that a bit inconsistent with what you said in your response to Mr. Doney?

CROZIER: It's inconsistent to the extent that I spoke with the auditors, my recollection is subsequent or during the preparation of that memo to remind them that there may be individuals who wanted to declare 99 with respect to their longevity checks. I was not one of the individuals. I knew that people had typically done that, and my conversation with the auditor was of the nature this has not been done since the 22 years I've been here, is it critical if another quarter goes by? And the conversation we had was to the extent that the only thing the IRS would do would be to tell you you can't claim 20 dependents or 99 dependents. It wouldn't change anyone's withholding obligation to the IRS, it wouldn't change the gross wages that had been reported, so I did not see it as being of significant consequence if it was filed in that quarter, or beginning with the first quarter of January, 1996. When I spoke with Mark Veil, and I spoke with him in great length on a conference call with Mary Dinehart, he never indicated to me a sense of urgency about this issue. It was a compliance issue going forward. It needed to be taken care of, but it wasn't as though the IRS was being defrauded in any way.

RANDOLPH: Nevertheless, he did advise you that once you knew about it there was no problem as long as you began to report the information immediately within the quarter the Town became aware of same, and of course, that's what you state in your letter.

CROZIER: Um-hm, yes sir.

RANDOLPH: You recall stating that. So, you made a determination, even having that information, that you would not file this information until the next year?

CROZIER: Yes I did.

RANDOLPH: Now, of course, you had that information earlier, as indicated in your letter of November 3, 1995, do you recall that?

CROZIER: Yes sir.

RANDOLPH: And do you recall in that letter your indicating to Mary Dinehart that the Town is required to forward to the IRS copies of forms W-4 for employees who are employed on the last day of any quarter, and who claim more than 10 withholding exemptions. Do you recall saying that?

CROZIER: Yes sir, it's in the memo, I believe.

RANDOLPH: All right. And this memo is also a Town exhibit. Now, so, you knew it, but you just made the determination not to do it.

CROZIER: It wasn't a matter of just making a determination not to do it. My recollection is I had a very lengthy conversation with Peter Elwell, the Assistant Town Manager, about individuals who had probably, it was now November, anticipated that they would be allowed to do that. That in all fairness to employees I would like to tell them it was a compliance issue going forward that was going to be followed, but I wanted anyone who had anticipated being able to take advantage of that with respect to Christmas being right around the corner, to still have the opportunity to do that as they had done for every single year I had been there.

RANDOLPH: Did you know that Cheryl Somers was concerned that you were not going forward with the filing of the W-4s?

CROZIER: She did not tell me she was concerned. She asked me if I would sign the 941. I signed it. At that time she asked me if I wanted to include any 99 forms for the fourth quarter, and I indicated to her that we would begin including them in 1996. I made, I believe, an announcement to the entire staff to that effect. It was not a secret.

RANDOLPH: Do you know how many people other than yourself and your husband in the third--excuse me, the fourth quarter of 1995 had declared 99 exemptions?

MARIANI: Objection, there is no evidence that this witness had declared 99 in the fourth quarter of '95. In fact, the evidence is just the opposite; that in October of 1995 she declared 10.

RANDOLPH: When does the quarter run? From what--what is the last quarter of 1995?

CROZIER: October through December.

RANDOLPH: October 1 through December 31st?

CROZIER: Correct.

RANDOLPH: So isn't it true that in October you had declared 99 exemptions?

CROZIER: Correct.

RANDOLPH: And that there was a requirement of the IRS that anyone during that quarter who had declared more than 10 exemptions would file?

CROZIER: Correct.

RANDOLPH: Do you know who within the Town of approximately 365 employees, other than yourself and your husband, had declared 99 exemptions during that fourth quarter?

CROZIER: It's my understanding there were four.

RANDOLPH: And two of those were yourself and your husband?

CROZIER: Correct.

RANDOLPH: So this determination by you not to go forward with this regulation even though you were told to by the auditors, but you didn't feel that urgent, really affected you and your husband and two other people within the Town?

CROZIER: It affected an individual that I knew had anticipated claiming 99 dependents on her longevity, and that was the primary reason I intended to wait until the beginning quarter of '96. She had planned it for a couple of months. She had banked on being able to do that, and I made the decision to allow her and wait.

RANDOLPH: And that decision, of course, precluded your form with 99 exemptions and Mr. Crozier's form with 99 exemptions from being forwarded to the IRS.

CROZIER: It precluded it. They would have told me to change it, which I had already done Mr. Randolph. The only ramification of providing the form would have been a request by the IRS to change it, and that had already been accomplished.

RANDOLPH: I guess your previous testimony was that the manner in which these declarations were handled in the past was usually a situation where someone at the end of the year had a pretty good handle on their tax liability and used it in regard to their longevity check that was coming up.

CROZIER: That's correct.

RANDOLPH: But in your particular case you used it for a period of ten months. In other there was a period of ten months that the Federal Government did not have use of your money.

CROZIER: It was closer to nine months. It was changed in very early October.

RANDOLPH: Okay. But that was done because you were having financial problems.

CROZIER: Yes sir.

RANDOLPH: And I--strike that. Did you ever hear Donna Bragel say what she said in her testimony to employees within your department--that you were on a check kiting list at First Union Bank?

CROZIER: No sir, I did not.

RANDOLPH: Do you know whether you were on a check kiting list?

CROZIER: I don't know whether I was or I wasn't. I know that I spoke with a representative of Great Western Bank no less than once a week for various reasons, and they never indicated that to me.

RANDOLPH: Mrs. Crozier, how many department heads are there in the Town, do you know?

CROZIER: Off hand, I'm not sure. I think eight, Skip, I'm not sure.

RANDOLPH: Okay. Are those department heads appointed each year by the Town Council?

CROZIER: Yes sir.

RANDOLPH: And you are one of the department heads that is considered for appointment on an annual basis, is that correct?

CROZIER: Yes sir.

RANDOLPH: Mrs. Crozier, do you agree that department heads serve in a position of leadership in the Town of Palm Beach?

CROZIER: Yes sir, I do.

RANDOLPH: And do you believe that a person serving in a leadership role serves as an example to others within the Town?

CROZIER: Yes sir I do.

RANDOLPH: The responsibility of a department head is a big responsibility, is it not?

CROZIER: Yes it is.

RANDOLPH: Do you not feel that it is a position where utmost integrity must be demonstrated?

CROZIER: Yes sir.

RANDOLPH: Now, you've also heard time and time again Mr. Doney indicate that he expects employees to avoid even the appearance of impropriety, have you not?

CROZIER: Yes.

RANDOLPH: And considering all of that, Mrs. Crozier, as Finance Director of the Town, do you see nothing wrong with you and your husband declaring 198 exemptions on your withholding certificate to the Federal Government?

CROZIER: We claimed 198 allowances, not exemptions, and I believe that it's a personal choice. I was having some financial difficulties. I don't believe that it should in any way affect my credibility as a person. It was not done in an attempt to defraud the IRS. In fact, I'll end up owing more money as a result of taking that option than if I had not done it.

RANDOLPH: Do you see anything wrong, Mrs. Crozier, as a department head, with declaring these exemptions over a signature and over a statement which reads under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate, or entitled to claim exempt status. Do you not see anything wrong with that?

CROZIER: If I believed that I was doing it to defraud the IRS I would believe that was wrong, Mr. Randolph. That was not the intent.

RANDOLPH: I understand that, but the form had a spot where you declared the number of exemptions and then the statement--

MARIANI: Objection. Counsel keeps using the word "exemptions." They're not exemptions.

RANDOLPH: Withholding allowances.

CROZIER: Allowances.

RANDOLPH: And you certified that you were entitled to 99 withholding allowances?

CROZIER: Correct.

RANDOLPH: Now, you certainly have 99 dependents, did you?

CROZIER: It doesn't refer to dependents, Mr. Randolph.

RANDOLPH: Are you sure?

CROZIER: I don't believe that it does.

RANDOLPH: What does an allowance mean to you?

CROZIER: An allowance means the tax bracket within which you believe you fall.

RANDOLPH: Well, in looking at the form, it says total number of allowances you are claiming, and then it refers up to line G, and I'll--do you have a copy of that in front of you--which asks you to indicate yourself, your spouse, and your dependents. Now doesn't that mean to you that when you're declaring an allowance you're really declaring the number of dependents that you have?

CROZIER: In my mind it is meant to declare the tax bracket or status in which you believe you will ultimately fall. That was my interpretation.

RANDOLPH: And that's what you believe as Finance Director?

CROZIER: Yes sir.

RANDOLPH: All right. Do you think, Mrs. Crozier, that it would be all right if all 365 employees in the Town government decided they, too, would claim 99 exemptions, thereby withholding no taxes from their paychecks on a weekly basis?

CROZIER: I'm sorry, would you repeat the question?

RANDOLPH: Do you think it would be okay if all 360 plus employees in the Town government decided that they, too, wanted to declare 99 withholding allowances, thereby withholding no taxes from their paychecks from the Town?

CROZIER: I think that's an issue between the employee and the IRS. Obviously, given the compliance issue that's been brought to my attention, the IRS will be advised on a quarterly basis if that were to happen.

RANDOLPH: But my question to you was do you think that's all right, or--

CROZIER: I can't speak for other employees, Mr. Randolph.

MARIANI: I need a clarification on the question. Is he asking if it's all right--from what perspective--from the--

RANDOLPH: From her mind--in her mind.

MARIANI: No but from what perspective--the individual employee perspective, or making a policy decision for the Town?

RANDOLPH: Well, I'm asking her questions about her judgment as Finance Director, and I am asking her if she thinks it would be appropriate for other employees in the Town to do what she did.

CROZIER: I believe, and you can correct me Mr. Randolph, if I'm wrong, but within the Circular E there is contained literature that speaks to the employee being responsible; that the Town or the employer is not responsible for trying to determine with respect to the number of allowances an employee claims, whether or not they would be entitled to that number of allowances. In--especially in a municipality where individuals like fire fighters are employed, it would be extremely difficult. A lot of fire fighters have their own businesses--outside jobs. It would be impossible for me to determine if they were entitled to 10 allowances, or 20 allowances of 30 allowances, and that's why I believe that specifically becomes an issue between the individual and the IRS.

RANDOLPH: Let me ask you this. You heard Debbie Kelly say that she knew of this requirement to file the W-4s with the IRS if there were more than 10 exemptions a long time ago, many years ago, and that she believed you also knew of that requirement. Do you disagree that you've known of that requirement for many years?

CROZIER: I disagree that I knew of that requirement, and I disagree in addition to that, to the statement that Mrs. Kelly made that I said we could plead ignorance. Mr. Randolph, when I'm aware of a requirement, I follow it. I'm known for carrying the Code Book around. I believe you've given me a hard time about that. I do everything by the letter of the written document if I'm aware that it exists.

RANDOLPH: But in this particular case you made a policy decision to protect another employee that you do not file until the next year.

CROZIER: It wasn't a policy decision, Mr. Randolph. It was a decision that was made with respect to what had been done in this organization for 22 years, I made, at least that I knew of. I also made the decision to correct it without fail beginning with the first quarter of 1996, which I did not believe, as the Finance Director, was unreasonable.

RANDOLPH: In retrospect, Mrs. Crozier, don't you see how it might look like a cover up if you and your husband have declared 99 exemptions? You have been advised by the auditor that once this information about filing came to you attention that you should file in the fourth quarter, and then you just decide not to file. Did it concern you how that might look to Mr. Doney or to others who would find out about that conduct?

CROZIER: As I indicated, I had a lengthy discussion with Mr. Elwell about waiting because of longevity. Did I believe that Mr. Doney would be concerned? I considered that to be an issue between myself and the IRS.

RANDOLPH: In regard to personal banking transactions, you do remember, do you not, Mr. Crouse advising you not to continue having your employees conduct personal banking transactions for you?

CROZIER: Mr. Crouse never told me that, and in fact in Mr Crouse's video, which I reviewed, he was asked that specific question by either Major Reiter or Detective Mason--have you ever asked her to stop transacting her personal business at Town, and his response was, Oh no.

RANDOLPH: Mrs. Crozier, what is the size of the annual operating budget of the Town of Palm Beach?

CROZIER: Thirty-one million dollars.

RANDOLPH: And what is the total of all of the assets of the Town of Palm Beach?

CROZIER: I believe approximately one hundred fifty-five million dollars.

RANDOLPH: And you are in charge of supervising the department that processes and deals with those funds, are you not?

CROZIER: Yes sir.

RANDOLPH: Mrs. Crozier, does it concern you that at least five of your subordinates who work with you on a daily basis within the Finance Department think you create a hostile work environment?

MARIANI: Objection, that mischaracterizes the (unintelligible).

PHETERSON: But it's cross examination. So I would request that she answer the question.

CROZIER: I don't know that there are five in my department. Who were the five in my department, employees who consider that I create a hostile work environment?

RANDOLPH: Well, let's talk about Lisa Gorman, Barbara Martinuzzi, Debbie Kelly,.

CROZIER: Debbie Kelly doesn't work in the Finance Department as an employee.

RANDOLPH: No, she doesn't, but she did, didn't she?

CROZIER: Um-hm, she did.

RANDOLPH: Mary Fae Dinehart, and Leslie Shields.

CROZIER: Leslie Shields does not work in the Finance Department.

RANDOLPH: No, but she did, didn't she?

CROZIER: She did, but that was over seven months ago, I think.

RANDOLPH: And she left, she transferred over to the Police Department, didn't she?

CROZIER: Yes sir.

RANDOLPH: And Debbie Kelly quit.

CROZIER: Um-hm.

RANDOLPH: My question is does it concern you that at least five of your subordinates who worked with you on a daily basis within the Finance Department think you created a hostile work environment?

CROZIER: It would concern me if I thought anybody believed that I created a hostile work environment, Mr. Randolph. I like every single person on that staff. I am fond of every single one of them. To think that any of them thought that would certainly concern me. I think that there was also a significant amount of testimony that refuted that people in the Finance Department felt that way.

RANDOLPH: You worked closely with Debbie Kelly for 13 years, did you not?

CROZIER: Yes I did.

RANDOLPH: You heard her say that she felt abused by you, did you not?

CROZIER: No I did not.

RANDOLPH: You did not hear that?

CROZIER: I don't recall her using the word abused. I recall her saying that she felt she was scolded like a child. I remember her saying that.

RANDOLPH: You don't recall her reading the dictionary definition of abused and saying that's just how she felt?

CROZIER: Like she was scolded like a child? Yes, I do recall her saying that.

RANDOLPH: You considered Lisa Gorman one of your best employees, did you not?

CROZIER: Still do.

RANDOLPH: She had been with you for nine years.

CROZIER: Yes sir.

RANDOLPH: Did it concern you to learn about the way Lisa Gorman felt about the way you treated her within that department?

CROZIER: It concerned me. The problem is, Mr. Randolph, once again I've not been given any specifics. When Debbie Kelly testified it's my recollection that the earliest occasion she could recall was approximately two and one-half year ago. The earliest occasion that Mrs. Gorman could recall was approximately five years ago, so I honestly have to tell you I'm having difficulty putting it all in perspective. If it was something that they felt on a daily basis that they could say right before you went on administrative leave, once a week, once a month, but if they're going to talk to me about occasions that happened two and one-half years ago or five years ago, I admit I don't understand it.

RANDOLPH: How do you know they weren't afraid to come to you for fear of retribution, Mrs. Crozier?

CROZIER: I think that they could have easily said that in those evaluations, Mr. Randolph, and I would have addressed it.

RANDOLPH: Indeed didn't they make some of those--isn't that one of the reasons that the meeting with Mr. Crouse was called, because of the problems within the Finance Department?

CROZIER: The meeting with Mr. Crouse was called specifically to address the concerns of Mary Dinehart.

RANDOLPH: Let me ask you a question. Do you think it's okay to, and I'm not saying that you feel you treated people this way, but you heard the manner in which Barbara Martinuzzi testified here; you heard the manner in which Debbie Kelly testified; you heard the manner in which Lisa Gorman testified. Do you think it's okay to treat people the way those people said you treated them?

CROZIER: Ms. Kelly said that I used the word burden when I referred to her pregnancy, and if that was a poor choice of words I would have apologized to her. I believe she also said that I indicated one day when her daughter was sick she breezed in and breezed out and if I insulted her by using that terminology I would have apologized to her. I believe Lisa Gorman testified that I had hurt her feelings because I told her I was disappointed when she did not include me in a gift that was purchased for Mrs. Bragg when she was employed by the Town. The testimony that Barbara Martinuzzi gave, I have no recollection of any of those events taking place, at all, whatsoever.

RANDOLPH: You don't recall getting up and cursing at Mrs. Martinuzzi?

CROZIER: No sir, I did not do that.

RANDOLPH: You don't recall involving yourself in any of the worker's comp matters that Mrs. Martinuzzi dealt with?

CROZIER: Ms. Martinuzzi and I, I believe, talked about all the worker's comp matters, but Mr. Randolph, I think you'll remember, two of the worker's comp matters that she brought up I took a totally different position than she indicated I took, and you were involved in those, and I think you know who I'm talking about, so I'm having a hard time with that one as well.

MARIANI: If that's true, I would admonish counsel for asking these questions.

RANDOLPH: Well thanks for the admonishment. I don't remember, but we can talk about it.

CROZIER: I'd be happy to tell you. And I know when I tell you you will remember.

RANDOLPH: Okay. That's all the questions I have at this time. Thank you.

SMITH: We need to change the paper. Mr. Mari--we need to change the paper.

MARIANI: I won't speak.

SMITH: Don't speak. We'll take five minutes please.

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MARIANI: Marie, do you remember the week--excuse me, -- do you remember what week in July of '95 your father died?

CROZIER: I believe it was July 15th; it was of that week.

MARIANI: And the Town Exhibit 11, I guess we're calling it the bullet memorandum, that's dated July 13, is it not?

CROZIER: Yes sir.

MARIANI: And the Mary Dinehart memo to you in July, that was dated July 17th?

CROZIER: Yes sir.

MARIANI: Okay. Did Mary leave that on your desk the day you came back from your father's funeral?

CROZIER: When I got back from my father's funeral, and it seems to me like it was the 18th or 19th, it was on my desk waiting for me the day I returned from his funeral.

MARIANI: Now if I could direct your attention to Town Exhibit 11, which is the bullet memorandum. With respect to each of those items on the memorandum, did Mr. Crouse ever indicate to you at the meeting, or in discussion with him, that these were problems in your department, that these identified significant problems in your department?

CROZIER: They weren't identified as significant problems. He indicated to me that these were ideas for improvement.

MARIANI: Okay. Well let me ask you, why was there an interviewing going on by Mr. Crouse; what started that whole process?

CROZIER: I initiated the interviews. I went to Mr. Crouse's office and said Mary Dinehart is clearly unhappy for some reason. I'm having trouble determining what that reason is. Maybe subconsciously I'm pushing buttons and I don't realize it, but if someone could find out what the reason was and let me know, I could make the problem go away. So I suggested to him that perhaps if he interviewed everybody on staff someone could give him insight as to what the problem was.

MARIANI: So in July of '95 you never heard anybody describe a hostile work environment, did you? Mr. Crouse never said that to you?

CROZIER: No sir.

MARIANI: Mr. Doney never said that to you?

CROZIER: No sir.

MARIANI: Were you aware of any investigation at that time into a hostile work environment?

CROZIER: No sir. When Mr. Crouse gave me this memorandum, and as we spoke I believe I testified, he indicated to me on at least three occasions, you should be very proud, your staff loves you. They really love you. They think very, very highly of you.

MARIANI: And in July of '95, no Town police were interviewing people and taking videotaped statements from them, were they?

CROZIER: Not to my knowledge.

MARIANI: In fact, the only time you've heard the phrase, or the Town's ever used the phrase "hostile work environment" is after the commissioned independent audit was done in March of '96, isn't that correct?

CROZIER: That's correct.

MARIANI: Between July of '95 and Mr. Doney's memo of April 4, 1996, nobody ever accused you of hostile work environment, did they?

CROZIER: I believe there was language in Mary Fae Dinehart's grievance with respect to that terminology, but that is the memorandum I referred to where apparently she had spoken to Mr. Crouse, and he indicated to her that the results of this meeting did not indicate that, and in fact, indicated to him that the problems that were being--that problems we were having in Finance were a result of the behavior of her and Leslie Shields.

MARIANI: But certainly, no matter what Mary Dinehart told Mr. Crouse, and all the other employees who he interviewed, they were not of sufficient moment that the Town did any sort of investigation for that entire period into whether or not there was a hostile work environment in your department, did they?

CROZIER: No sir.

MARIANI: Do you know whether the Town police were interviewing people about a hostile work environment in March of '96?

CROZIER: I don't know. I know some of the videos indicate there were some questions that were asked relative to that.

MARIANI: These were videotapes by theTown police that you're referring to, is that correct?

CROZIER: Yes.

MARIANI: And you reviewed all of those, didn't you?

CROZIER: Yes I did.

MARIANI: There was a videotaping of Ms. Kelly?

CROZIER: Yes sir.

MARIANI: And do you recall that Ms. Kelly confirmed a number of the statements that she made while being interviewed by the police in front of a videotape machine and she confirmed and we put those in the record, do you recall me doing that?

CROZIER: That was in her videotape that her perception was the problem was caused by Mary Fae and Leslie Shields.

MARIANI: Okay, now I don't believe the Town Council has reviewed the police videotapes. Could you describe in your own words the difference between Ms. Kelly's demeanor and her testimony in the tape, the police tape in March of '95, versus her demeanor and testimony in front of the Council when she testified here?

RANDOLPH: Excuse me, I know we're letting everything in, but I really object now to going beyond the evidence and talking about viewing some videotapes that are not part of the record before this Council today.

MARIANI: Well these are videotapes that are in your police department and they're available to the general public, I think, at $20 a piece.

PHETERSON: Well, let me just note that you're asking a witness with an obvious interest in the outcome of the proceeding to provide the characterization, rather than apparently take these tapes and put them into evidence.

MARIANI: Well, we're a quarter after seven on a Saturday night, and uh--

PHETERSON: I understand that sir, but I'm just noting that the best evidence of her demeanor would be as reflected in that, and I'm just--I'm not going to tell you not to do it, but I'm saying that it may not be the most effective way to get that into the record.

MARIANI: Well here's why I think the question is fair, because I think Mr. Randolph in his cross examination of this witness has tried to leave the impression that this witness would not understand the difference say between somebody who felt intimidated in her office and somebody who did not. So I think it's very relevant for you to hear this witness testify about, at least in her opinion, the difference of what she saw, understanding that a number of these witnesses who were brought in here by the Town underwent a police investigation or a police interrogation, if you will, prior to coming in here.

SMITH: Mr. Mariani, the Council saw Mrs. Kelly testify, and if you would like us to form an opinion on the difference in her performance then you can submit the videotape, and on that question I will poll the Council if you have any question about it.

MARIANI: No, I withdraw the question, thank you.

SMITH: Thank you.

MARIANI: Marie, do you pay your taxes?

CROZIER: Yes.

MARIANI: Okay, and do you have an accountant prepare your tax returns?

CROZIER: Yes I do.

MARIANI: And your accountant has reviewed all your signatures, whether they've been on your tax returns, or whatever, with respect to your taxes, has he not?

CROZIER: Yes he has.

MARIANI: I apologize. I assumed you had a male accountant, do you?

CROZIER: Yes, he has.

MARIANI: Okay. Thank you.

Now at 6:30 on this Saturday night the Town, for the first time, has brought into issue prior W-4 forms that you have filed with the Town over various years previously. And it's my understanding, and please correct me if I'm wrong, Mr. Randolph, that there's no W- forms that are relevant to the allegations in Mr. Doney's decision other than the W-4 from 1995? I'd like a representation from the Town, whether the Town is now saying that prior W-4s are part of the Town's allegations of impropriety.

RANDOLPH: Those were put in to show a pattern of conduct in response to a question that had been asked by you of Mrs. Crozier.

MARIANI: I see. But you had these stapled and ready to go at 6:30 on a Saturday night, and there's no reference to them in any other document or any allegation that's being presented in these proceedings.

RANDOLPH: Yeah. I mean, do you want to continue--just leave that statement on the record, or do you want me to respond to it? Mr. Elwell did run out of the room to make copies of those when this question was asked, that's all--that's irrelevant.

MARIANI: Well, could I ask for representation from the Town whether they canvassed every other person--I'm sorry, there's 315 people in the Town--can we have representation from the Town as to how many other W-4s there are for the period between 1988 and 1995, which contain the number of withholding allowances and a number 99 on it?

RANDOLPH: I don't know the answer to that.

MARIANI: Okay. Marie, did you ever, did you ever fill out a W-4 form with 99 allowances--withholding allowances, prior to your employment with the Town?

CROZIER: Prior to my employment with the Town I didn't even know that you could do that. When I came to the Town it was a practice that was done, and from time to time I did it.

MARIANI: So the first time you saw it, and the first time you ever did it was right here, based on what you had seen other employees do, is that correct?

CROZIER: Correct.

MARIANI: Can you tell the Town Council what an ICMA account is?

CROZIER: An ICMA account is a voluntary retirement plan that employees in government may participate in. It's totally voluntary with the employee being the only contributor.

MARIANI: And you and your husband have those types of accounts here at the Town?

CROZIER: Yes we do.

MARIANI: And was there an occasion recently where you requested for those funds to be withdrawn?

CROZIER: Two occasions.

MARIANI: Okay. Would you describe those occasions to the Council please?

CROZIER: In early March my husband asked for a lump sum distribution of his retirement plan at the time he retired. We were told that the monies would be disbursed in 61 days of his retirement. I believe it was two or three weeks after the form had been given to the Personnel Department for processing. I got a letter from ICMA that said that the employer had failed to sign the proper forms, which would hold up the processing of that distribution. In very early April, I think it was around the 3rd, I asked for an emergency withdrawal of my ICMA contributions and indicated on the form that I needed it to pay unanticipated attorney's fees, and I believe it was the first meeting we had in these chambers, which would have been the 22nd, Mr. Crouse--I asked Mr. Crouse what the status of my claim was, because emergency withdrawals take seven days, and he told me at that time that I needed to talk to the guy, was the verbiage that he used, from ICMA. When I got home that afternoon I called him, and he told me that my claim had been denied. I called ICMA, and they indicated to me that they had no record of the claim being processed.

MARIANI: Did you make any follow up inquiry with respect to those funds?

CROZIER: Yes, I asked that an ICMA representative get back to me. I asked my counsel, Mr. Curtin, to assist me in that. A legal representative of ICMA finally did call me, I believe it was last week, and indicate that the request had been approved.

MARIANI: Marie, do you think you're fit to be the Finance Director of this Town?

CROZIER: There's no doubt in my mind.

MARIANI: I have no further questions of this witness, thank you.

RANDOLPH: No re-direct.

SMITH: All right, thank you, Mr. Randolph.

RANDOLPH: Well, just one question--the ICMA is the one that makes the determination as to whether to release those funds, isn't that correct?

CROZIER: Emergency withdrawals are made by the employer--that determination must be made by the employer.

RANDOLPH: But doesn't the employer get information from ICMA as to what an emergency is, or do you know that?

CROZIER: I don't know that. I know the form said that you must have your employer's approval.

RANDOLPH: Thank you. No further questions.

MARIANI: I just would like to ask one or two questions of Mr. Wilson, our expert accountant.

SMITH: But, I think some of the Council may have some questions for Mrs. Crozier.

MARIANI: Please do.

SMITH: Thank you. Mrs. Crozier, what was the relevance of this last line of questioning on the ICMA. I don't understand.

MARIANI: We will address that in closing argument. I don't'--

SMITH: But I asked Mrs. Crozier.

MARIANI: Oh, I'm sorry. You were looking at me, I apologize.

SMITH: That's all right. Sorry, well, I'm glazing over. Sorry.

CROZIER: I don't know his purpose for asking me those questions now.

SMITH: But the ICMA is actually, I don't know--I know what it is, I sit on the Pension Board with you. Where is that actually located?

CROZIER: It's located in Washington with the Town being the trustee for the funds.

SMITH: Right. So the paper work would go from the Town, from the Town from the Finance Department?

CROZIER: Personnel.

SMITH: From Personnel to Washington.

CROZIER: Right.

SMITH: The request for the funds.

CROZIER: An emergency withdrawal.

SMITH: All right. And when you were just given approval for it, was that for your husband's funds, or--I understood his form was not processed?

CROZIER: That's been re-processed with the appropriate signatures and I believe that distribution is forthcoming as well. The distribution I spoke to secondly was my emergency request that they had told me--or at least the documentation indicates is released typically in seven days.

SMITH: All right. And earlier you talked about counseling Mary Kay [sic], Dinehart. Why would you attempt to counsel this woman, who is giving you such a terrible time, and who obviously must have put in an unfavorable report to you? Why would you try to counsel her?

CROZIER: Perpetual optimism. I really, Ms. Smith--one of the most difficult things in the world for me to do is to terminate an employee, and I think Mr. Crouse will testify to the fact that I take that to the extreme. I always believe that you can turn a person around, and I honestly believe in my heart that I genuinely worked in every possible way to do that with Mary Dinehart. Mary Dinehart was given an opportunity to transfer to the Police Department when Mrs. Shields took the position. That position was first offered to Mrs. Dinehart, and my interpretation of that was we were going to be able to work things out--you know, we were going to be able to reconcile any issues that she had. It was an indication to me that she wanted to stay in the Finance Department and make things work for her. And so I continued on that optimistic path with her.

SMITH: And what were the circumstances for Leslie Shields' transfer to the Police Department. How did that come about?

CROZIER: Both she and Ms. Dinehart applied for the position. When Ms. Dinehart turned it down, Ms. Shields accepted it. She indicated to me when she left that she appreciated having worked in the Finance Department. She enjoyed working in the Finance Department, but her husband is a police officer, and that that was really her first love, that line of work.

SMITH: And what steps did you take with these two women when they went through their immature and obscene performance with the male employee in the Finance Department? What we heard about yesterday with the panty hose?

CROZIER: I called them into my office and counseled them. That was one of several counseling sessions that took place, and constantly tried to tell them that inappropriate behavior of a sexual nature was not appropriate on Town property, on Town time, or at a Town function. They did some things in the Finance Department that horrified me, with respect to their sexual content. And in fact, two employees came to me and complained that they were very offended by the behavior, and I spoke in great length with Mr. Crouse about that. And he, in concert, tried to help me work through to make them understand that the behavior had to stop, or there was going to be a problem. But the behavior never stopped.

SMITH: All right. Thank you. Mr. McLendon?

McLENDON: I'd just like to follow up on Mrs. Smith's first question. The separate pension funds, I don't know the initials of it offhand, but I interpret the bringing it up and the line of questioning to be an inference that someone or the Town had something to do with the disapproval of that. Now was that intended to be that way?

CROZIER: I don't know. I know the form indicates that you must have your employer's approval, so--

McLENDON: They didn't tell you why it was disapproved?

CROZIER: No one told me it was even disapproved, Mr. McLendon, until that first meeting here on the 22nd, and the form had been submitted on April 3rd, which was obviously well beyond the seven day scope and time period that I anticipated I would have the funds.

McLENDON: They don't have to tell you why they disapproved it?

CROZIER: I would suspect that they would and should.

McLENDON: Okay.

CROZIER: I never received any literature or any telephone calls.

SMITH: All right. Mr. Shaw?

SHAW: There was an exhibit that was given to us. It was Town's Exhibit 7, which is the 941 for the last quarter of 1995, and it--I noticed something as I looked at it that was sort of distressing. If you take a look at it, I've obviously highlighted something. Do you see--that's a form that I would presume, since you've signed it, that you scrutinized and looked at?

CROZIER: Yes, this is a form that I scrutinized and looked at.

SHAW: Do you see something wrong with it?

CROZIER: No.

SHAW: You don't notice that the wages for the Town and the withholding are not correctly reported on the right line numbers?

CROZIER: They're on the wrong line numbers, you're correct.

SHAW: The other thing--there was a memo which was turned in as Town's Exhibit 6, which is your letter of November 3rd, or memo to Mary Dinehart, and item number two says a flat tax of 28%, or the normal tax rate, whichever is greater, is to be withheld from one time payment, such as longevity.

CROZIER: Correct.

SHAW: Okay. Knowing that, or, I guess--what point did you learn this?

CROZIER: I believe that was about mid to late--early November, somewhere in there, my recollection is, and once again that would have in no way benefited me, because I didn't do that with my longevity check. I had the total taxes taken out. But knowing that there were employees who had been planning for months--that's why I chose to wait until the first quarter of '96.

SHAW: As Finance Director, do you feel that you should be up on all of the regulations pertaining to employee withholding, or do you feel that is somebody else's responsibility?

CROZIER: I believe that if I tried to stay up on every single regulation with respect to every single thing that happens in the Finance Department it wouldn't be possible. The payroll clerk is delegated that responsibility. She's provided with a new Circular E at the beginning of every single year, and I would expect that if there were changes that related to payroll that they would come to my attention. When Ms. Dinehart brought to my attention the need to file the exemption forms that exceeded ten with the IRS, I then sat down and went through the Circular E myself, and discovered that the flat tax rate had changed from 20 to 28%; that retirees were excluded from the 99 or exempt status. But I learned that only when I sat down and read the Circular E.

SHAW: And did you also notice, I think this would be your attachment--it would be the third page--I'm not sure where this comes from--it's just on the bottom it's labeled key issue 27-C--I'll give it to you--I'll read it--(unintelligible)--it says this is in reference to more than 10 withholdings, and it says in addition, or additionally, the employee should submit copies of any written statements from the employees to support the claims made on the forms W-4.

CROZIER: Yes sir.

SHAW: Okay. I know you didn't collect any--I know you didn't send any in, but did you ever collect the statements as to why people felt they were entitled to 99 exemptions?

CROZIER: That was the whole procedure that I intended to implement with the first quarter of 1996, and those statements would have been required from employees, and the conversation that I had with Mr. Elwell that I referred to before was exactly on point with that. I wanted employees to know what their responsibility was going to be with respect to compliance, since the Town, as common practice, had allowed them to do what they had been doing for years.

SHAW: Okay.

SMITH: Mr. McDonald?

McDONALD: No questions.

SMITH: All right. One last question, Mrs. Crozier. When you say the Town had allowed them to do it, who actually do you mean? The Town--when we talk generally that the Town has set the policy and Mr. Weeks from the Fire Department said that the Town Council--he was afraid that he'd be going against the Town Council action--he couldn't, because we haven't taken any action. So, when you talk about the Town and the policy to let them do the 99 exemptions, who specifically are you--or what group?

CROZIER: Certainly not the Council.

SMITH: The Council.

CROZIER: The Finance Department would have been responsible for those compliance issues.

SMITH: All right, thank you. Anything else?

McLENDON: I have one other question.

SMITH: Oh, Mr. McLendon?

McLENDON: I'm not sure that these separate accounting things got to be an exhibit or not--have you had occasion to review the separate audits that were done?

CROZIER: Yes I have.

McLENDON: And including the recommendations and findings in those?

CROZIER: Yes sir.

McLENDON: Any comments about them being fair or not?

CROZIER: I think they're fair, Mr. McLendon, and one of the things that I do internally is--a goal that I have on an annual basis, is that I have a very thick Internal Controls Procedures document in my office, and as a goal I implement five new internal control procedures a year, or at least attempt to. When an auditor delivers a document with recommendations for improvement, I always believe that they're prudent. I don't believe that you could ever not improve on any procedure that's in place.

McLENDON: Thank you.

SMITH: Mr. Pheterson?

PHETERSON: I just have a question with regard to the two Radio Shack receipts, and the petty cash issues. You've had these receipts in your possession for sometime at this point, or a copy of these receipts?

CROZIER: Yes, I received them, I think, a couple of weeks ago.

PHETERSON: Okay. So you've had a chance to look through them. Based upon your review of these, do you believe that at the present time there is a net gain to you and a net loss to the Town, which is inappropriate?

CROZIER: I believe I made a mistake resulting in a net gain to me of $22.34, but it was clearly a mistake. I would never take money from the Town that I did not have coming to me.

PHETERSON: Okay, so you dispute the calculation of, I believe it's $65.34. You think it's $22.00?

CROZIER: My recollection, Mr. Pheterson, is that when I gave the documents to Ms. Dinehart for processing, my recollection is I gave her that Radio Shack receipt that you're referring to, and $40.00, and a petty cash reimbursement request for $20.00.

PHETERSON: Okay, and prior to your testimony here today, have you ever offered to pay the amount, whatever you consider that amount to be?

CROZIER: No I have not. I have no problem paying it.

PHETERSON: Thank you.

SMITH: All right. Thank you, Mrs. Crozier.

The--Mr. Mariani, and Mr. Randolph, at this point could I ask you how do you perceive the next actions--you'll be doing closing arguments, or--I mean, when you finish calling your witnesses--is that--

MARIANI: Well let me suggest that we are finished calling our witnesses.

SMITH: All right.

MARIANI: Apparently there's been a request from Town residents that they wish to speak, and counsel have met with your counsel, or your two counsel, and I think we've decided--or we've decided to suggest that those people should speak now, and then attorneys would make closing arguments.

SMITH: Fine.

RANDOLPH: We did have a discussion with the hearing officer in regard to that, and although--

SMITH: You don't think it might have been more appropriate to have the discussion with the Council in public?

RANDOLPH: No, at a break--he-- apparently he had been approached and asked--

SMITH: I don't mean that counsel. I mean this Council. The Town Council, as opposed to the counsel's counsel.

RANDOLPH: I know. I know. No, I wanted to--

SMITH: That's all right. It is confusing. Counsel, counsel, and counsel, and the Town Council.

RANDOLPH: I think it's a bit unusual for this type of proceeding where each of us so carefully presented our evidence, but I think the feeling was that it is a public meeting, and people have the right to speak at a public meeting.

SMITH: Definitely it's a public meeting. Everybody has a chance to speak. Please keep it to 3 minutes. All right, Town residents, please.

McDONALD: Are there any Town residents that would like to speak?

Well, okay.

SMITH: Thank you. Counsel, counsel-- all right, please Mrs. Wiener, you know we're trying to get out of here, come on-- thank you, I knew you wanted to speak.

WIENER: What's the hurry--it's Saturday night in Palm Beach--nothing get's going until about, what time, Mr. Mayor? And there are no parties without Mrs. Smith--

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Tape 12 - 5-4-96

WIENER:	What's the hurry. It's Saturday night in Palm Beach. Nothing gets going 'til about what time, Mr. Mayor? And there are no parties without Mrs. Smith and the Mayor, so--and the rest of you.
SMITH:	There will be tonight, and last night.
WIENER:	As I sat out here--
SMITH:	For the record, Mrs. Wiener, please.
WIENER:	Hermine Wiener, 324 Garden Road, Palm Beach. As I sat out here throughout this whole proceeding, and I listened to a lot of people that I care about. To you, Bob. I listened to Marie. I saw the faces of members of Town Council concerned and perplexed, and even you, Skip, and yes, you are entitled to a drink. I had a number of things that I wanted to say to all of you because I've been there, because I can feel being in your shoes, I can feel being in Bob's shoes, I can feel being in Marie's shoes, because I've worked with all of you. And, you know, when you work with people for seven years you know how they react, you pretty well know what makes them tick, and you know what their concerns are. And I think the basic concern here is one of fairness to the Town and fairness to the individuals involved, so I'm going to just go very quickly through a couple of these things, and I guess, once upon a time, when I was on your side, they used to say I got to the center of things pretty quickly, so it'll go fast. The one thing that I haven't heard anybody really explain, which to me, I mean it can be done very simply, is the 99 exemptions. Do any of you really believe that the Federal Government thinks that people have 50, 60, 70. 80, or 90 children? Please remove that thought from your minds, because it doesn't make any sense, and you know it doesn't. The next thought I'd like you to remove from your minds, if you could, is that someone who has worked for the Town for 22 years, and deals with the kind of money that goes through that department really had an intention to steal, whether it was \$22, \$32, \$42 and \$142, or \$2,042, it doesn't make any sense. Let me talk to you a little bit about being hostile to employees. When I sat on the Town Council, even you raised your voice once to me, Bob; so what? We all have good days, we all have bad days. We have better days. We have worse days. Whether that's something to ruin a 22 year career over, I don't know. I don't really think so. And just to lighten up all this a little bit, let me talk to you about the lingerie show--come on kids, get off it. What someone does, if they go to a lingerie show--have you ever seen a blue movie, Mr. Mayor?
ILYINSKY:	Why, madam, I plead the Fifth Amendment.
WIENER:	I betcha you have. We're all human beings. We're all human being on our own time, and that silliness trying to build a case on something like this. I also think I've heard bad language from every department head in this Town, and so what, it happens, we're human. And finally, let me tell you what I think happened here. I think in an abundance of caution, for which Bob Doney is famous, and rightfully so, he listened to some very bad advice, and that advice fed on itself, because as everyone has said throughout this--what are we doing here, and how did this grow to this degree? At the opening of this hearing, I believe I heard Skip say something, which if I had been on that side of the table I would have probably pounced on him, and that was--we're here to give Marie Crozier an opportunity to clear her name. Now, I've never passed the bar--always wanted to be a lawyer, but just didn't make it, but I do know that our system of justice isn't based on that. Our system of justice is your name is clear until you've been proven guilty. So the whole premise of this thing has been wrong. I will also put to you that this particular department head, for whatever reason, has not been treated equally to other department heads. I don't think I have to take your memory back too far where there've been other problems--there was not even one day without pay, one day of suspension, or even a question of it, and rightfully so. And finally, I think we've got a problem with W-4, and a person's privacy and secrecy. This whole thing was based on permitting a disgruntled employee to go through someone's personal desk. Do you know what kind of a can of worms we're opening if we say yes, every employee in every department can merrily open the desk of their supervisor and help themselves to whatever they want. I don't think you will stand for that. And finally, I really wish, Bob, and Skip, and Marie, and everyone else involved who's angry, would stop being angry, because we're all human beings--none of us are perfect. I don't think anyone in this room could survive the kind of examination that Mrs. Crozier endured here, and come up looking any better. Let's try to see what we can do about making this go away. We never should have come to this point. Ladies and gentlemen, it's in your shoes, but don't believe for one minute that if you feel that this woman is entitled to keep her career after the kind of work, the kind of hours that she's put in, that you're saying no to Bob Doney, because you're really not. When we were on our vacation, met a very interesting man who actually counseled people, and we were talking about the terrible things that happen to people, and why do they happen, and do you know what his answer was? God doesn't always say yes. I'm not saying you're God, but right this minute in Marie's life, you're pretty important. Nobody is perfect in their judgment, neither the Town Manger, neither the Town Attorney, neither Marie, and neither any of us. I ask you to bring peace back to the

Town, the high morale that our staff people have had through the years, and I hope you will think of finding the way for peace and fairness to everybody. Thank you.

SMITH: Thank you, Mrs. Wiener.

Mr. Randolph, I have to ask if there is any other member of the public, besides you, that might want to speak?

RANDOLPH: Oh, I'm sorry. I just leaped to my feet after that argument, and just wanted to say, Mrs. Wiener, you should have gone to law school.

BALL: Good evening, my name is Peggy Ball, and first I would like to give you a check. I live in West Palm Beach, and I'd like to give you a check for $22.34 to fix this problem, it seems to be such a problem. That's the first thing we should get out of the way. The second thing I would like to talk about, since I'm also in a managerial position, is being a manager you do hire and fire, and have to put people on probation, release them, and also counsel them. I think that's part of your job, and I don't think she was doing anything unusual. This is a woman who has given half of her life to your Town--22 years, and I don't think she's done anything to deserve what's happening to her. She gets up every morning and comes to work. She reads the paper and suddenly decides that--finds out that she's Sybil, with multiple personalities. I just find it really, really difficult to believe that somebody could put anyone through something like this has given half her life to you. She really loves the Town, and she loves you and I don't think she deserves what you've done to her, or whomever has done it, or you believe that she's guilty of taking money or treating people badly. I really don't think that's true, and I just wanted to say that because it bothers me so much. Thank you.

SMITH: Thank you, Mrs. Ball. Is there anyone else that would like to speak? Now, Mr. Randolph, nobody else wants to speak.

RANDOLPH: In response to one of the comments that was made by Mrs. Wiener in regard to the--whether the Federal Government cares about the 99 exemptions, and whether or not the Federal Government could really believe that anybody has 99 dependents when they see such a form. That's not the issue. The Federal Government never sees these W-4s unless they're reported to them, and that's the reason they have a circular which says if any of your employees ever do claim more than 10 exemptions, we want to know about it. So, the Federal Government, you see, doesn't regularly see forms which claims 99 exemptions, and if they do, they hear about it because they have a regulation, and that regulation was not followed in this particular case. At the commencement of this process, I indicated that this was not going to be a pleasant experience for anyone. It has not been a pleasant experience for you. It has not been pleasant for Bob Doney. It has not been pleasant for the staff. It has not been pleasant for Mrs. Crozier or her family. And I suggest that it has not been pleasant for the attorneys. I further indicated that we did not content that Mrs. Crozier is not a nice person. She is. We did not content that she did not perform well for the Town for 22 years. She did. Indeed, as we predicted, Mr. Curtin paraded witness after witness before you to attest to what we have already stipulated--that Marie Crozier is a nice person, that she has been a loyal and dedicated employee of the Town. Indeed, many of us involved in this process could have gotten up and said the same thing. I think Mr. Doney could have gotten up and said the same thing, as many of these witnesses have said before you during this process. I think many of you on this Council could have gotten up and testified to the same thing. But we indicated to you at the outset that the real issue before you was not whether Mrs. Crozier is a nice person who has done good work for the Town, and who may be a devoted and loyal employee, but that the sole and singular issue before you is whether, on the basis of certain conduct, which the Town Manager considers misconduct, Mrs. Crozier should remain as the Town's Finance Director. We believe the evidence before you clearly indicates that Mrs. Crozier should no longer remain in that position with the Town.

Now, let's talk a bit about the evidence, and first let's talk about this issue of hearsay, because Mr. Curtin and Mr. Mariani made quite a point to indicate that all you have before you is hearsay. And, of course, it's been stated that you cannot rely solely on hearsay in order to make a determination, and we agree, you cannot rely solely on hearsay, but you can rely on the cumulative effect of the evidence that you have before you during this hearing. Mr. Mariani attempted to confuse this issue somewhat through Mr. Doney, and I believe he may have successfully confused the Mayor and Town Council by way of alleging through Mr. Doney that Mr. Doney's entire report is a hearsay document, implying to you that it is not a reliable document upon which you can rely in making your decision. You must keep in mind that Mr. Doney acts in an administrative capacity. He does not act in a quasi-judicial capacity. You act in a quasi-judicial capacity, and therefore you must rely upon the evidence that comes before you of a non-hearsay nature. Mr. Doney delegates things to staff in his Town. He cannot do everything. He, in this particular instance, delegated a review to Mr. Crouse and to Mr. Elwell, and those people reported to Mr. Doney. Mr. Doney based his decision on the information that he received. The evidence that Mr. Doney heard and based his opinion on came before you, and it's not Mr. Doney's report that we ask you to rely upon. We ask you to rely upon the evidence that came before you upon which Mr. Doney relied in making his recommendation to you. Indeed, it would have been hearsay even for Mr. Elwell to come before you and tell you what these people he interviewed told him. It would have been hearsay for Mr. Crouse to get up and tell you what these people told him. So, it wouldn't have corrected anything for you to hear directly from Mr. Elwell or from Mr. Crouse. We had to bring to you the witnesses upon which Mr. Doney relied in making his determination, and that's what we did, and we suggest to you that that was not hearsay evidence. What is the evidence that's before you? The evidence is that Lisa Gorman, a 9 year employee of the Town within the Finance Department, didn't take a promotion because she didn't want to get that close to Marie because of the manner in which she saw Debbie Kelly treated by Marie Crozier. The evidence from Lisa Gorman indicated that Marie talked about other people behind their backs, that she was afraid of retribution from Marie Crozier in her job, and that is why she could not say anything about it. In fact, she said that Mary Dinehart took the step we wish we all had taken. Now, you next heard from Barbara Martinuzzi, a 5 year employee within that department, who had indicated that Mrs. Crozier, and I guess that's where the term came from, had a Jekyll and Hyde personality; that she screamed, that she used obscenities--you heard the obscenity that was used with her, that she tried to influence her handling of worker's comp cases based upon personal friendships within the Fire Department where Mr. Crozier works. You heard from Mrs. Martinuzzi that as a result of the treatment that she had by Mrs. Crozier that she has been looking for other work. You then heard from Debbie Kelly, a 13 year employee of the Town of Palm Beach Finance Department, who came under Marie Crozier's tutelage. Debbie Kelly indicated that Marie Crozier's conduct towards her was abusive. She even went to the extent of looking the word abused up in the dictionary, and she told you that, tearfully, that that's exactly what had happened. She indicated to you that she was confused, that she would go home and talk to her family, and her family would indicate to her that you shouldn't suffer this kind of treatment, but she always thought Marie was right. She had to have counseling as a result of the treatment that she had received in that department. She quit, the primary reason being that the treatment by Mrs. Crozier, and she indicated that she wished that she had had the courage to do something long ago, before any of this had happened. Now, I believe that for you to dismiss that testimony would be to indicate that those people that worked within that department are lying to you, and that we believe everything that Mrs. Crozier has told us during this testimony. We then get to Mrs. Dinehart. She's been sort of aimed at by Mrs. Crozier's attorneys, but she is an employee of the Town, and she is an employee within the Finance Department, and she has been there 5 years. She was called a bad apple, a witch, but she was the person that had the nerve to face Marie, and we now see how she is being characterized because she had that nerve. The nerve that Debbie Kelly wished that she had exercised long ago. The nerve that Lisa Gorman had been hoping for in someone. As a result of her conduct, she's been the focus of the animosity of many who liked Mrs. Crozier, many of whom you heard testify for Mrs. Crozier, but who did not work within the department on a daily basis. You didn't hear from, but you heard about Leslie Shields, who, because of Mrs. Crozier, transferred out of her department. Then you heard about the issue of the W-4s and the 99 exemptions, and Mrs. Crozier's admitted deliberate failure to file the W-4s with the IRS. This was in spite of the advice of Mark Veil. Now she didn't think his advice was urgent, but she did receive the advice from Mark Veil to file in the fourth quarter for any people who claimed more than 10 exemptions. That's how the Government finds out what's on those W-4s. They don't find out about 99 exemptions, so they won't know about, and have to laugh about someone having 99 children. They're only going to find out if you file. This advice was confirmed by Cheryl Somers, who was concerned that Mrs. Crozier was not filing, and reminded her to do so, and was advised that it would be taken care of, and Mrs. Crozier took care of it, but she didn't take care of it during the time that she had been advised to do, and during the time that she admitted in a letter that she knew that she was supposed to do--in two letters that she was supposed to do. It's rather interesting that her response to Bob Doney was contrary to what she said in those two letters. In her response to Bob Doney she indicated that it was clearly her opinion from the auditor's that she didn't have to file until 1996. That wasn't what you heard here today. Today you heard that it just wasn't urgent, but she wrote two letters stating that she had the understanding that as soon as you knew about this, you had to do something about it, and she didn't. You heard Mrs. Crozier deny, but you heard Mrs. Kelly say that Mrs. Crozier knew about the requirement years ago, to file the W-4s if someone claims more than 10 exemptions, and you also saw the number of times that Mrs. Crozier had declared 99 exemptions as Finance Director within this department over the years, and in no occasion file, except in 1996. And, it's interesting that the evidence revealed that the only people, except the person that we heard today that Mrs. Crozier said she was looking out for, and I'm not sure it's up to her to look out for someone else that had declared 99 exemptions, but it's interesting to note that the people that profited as a result of not filing were Mrs. Crozier and her husband, and this unnamed employee, and the unamed employee I'm talking about is an employee who witness testified had a flat tax taken from his paycheck. So we had Mr. and Mrs. Crozier with 198 withholding exemptions, allowances, thank you so much, deciding that it was in the best interest of the Town that she not go forward with this until 1996. The evidence has clearly shown that Mrs. Crozier, for almost a year, 9 or 10 months, had no Federal Income Tax deducted from her paycheck because of a deliberate misrepresentation made by her signature over a statement which read, and you've heard it before, but I'm going to say it again--under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate or entitled to claim exempt status. How can a Director of your Department of Finance make that kind of a statement and that kind of claim under penalties of perjury? How many employees within this Town do you feel might desire that no deduction of Federal Income Tax be taken from their paychecks? How many employees in the Town might look at this conduct by a department head, and want to do the same as that department head, i.e., pay no taxes to the Government for a 9 or 10 month period of time. How many employers would tolerate this kind of conduct in a department head--the head of the Finance Department of the Town of Palm Beach? You heard other testimony about suspicions aroused in the Police Department as a result of Mrs. Crozier's personal banking activities. You heard Donna Bragel, an employee within the Finance Department, indicating that she had told others within the Finance Department that Mrs. Crozier was on a check kiting list at Great Western Bank. You heard testimony that Mrs. Crozier's banking activities were done on Town time, by Town employees within her department, who were requested to do it even after Mrs. Crozier was advised not to continue such conduct. Now, Mrs. Crozier gave you a different interpretation of that, but you did hear from some who had indicated that she had been advised not to do it anymore, but she continued. You heard Mrs. Dinehart say Mrs. Crozier would consider in Mrs. Dinehart's next evaluation Mrs. Dinehart's refusal to do Mrs. Crozier's personal banking. That was a joke. I don't know how Mrs. Dinehart might interpret that as a joke. Maybe she didn't know Marie well enough. You heard how Mrs. Crozier mishandled petty cash and violated strict procedures which she insisted upon by others. You heard how Barbara Martinuzzi had an unfortunate circumstance in trying to get petty cash to go over to mediation, how she was chastised for it, and how she then learned that there was a different standard applied for petty cash by the head of the Finance Department. And then you heard of many other minor incidents throughout. Then you heard Mrs. Crozier's witnesses, the majority of whom simply testified as to what a nice, loyal, dedicated, competent employee Mrs. Crozier had been over the years. But, I asked each of them, time after time, and I was trying to be short with them, but we had to get it on the record. I asked each of them--did you work within that department on a day to day basis--were you a subordinate to Marie Crozier? You didn't even work in that department, you worked across the bridge, or you worked at the Golf Course. How can these people know what was going on within that department, as to the hostile work environment? There were only three people that testified that would have had any knowledge as to what went on in that department, other than those people that I brought forward to testify. Donna Bragel testified, and I hope you caught it, because she said that she was too new to know what was going on within that department. Linda Jones testified, and then Kathy Wall, who apparently has a reason to have it in for Mary Dinehart, testified. It certainly doesn't sound like a pleasant environment within the Finance Department, and it certainly sounds, from the witnesses that I heard testify, that the reason for that is the manner in which Mrs. Crozier dealt with them. And then we heard from our beloved Henry Marchman, who said--you just have to know Marie. I suggest to you that Debbie Kelly in 13 years got to know Marie, and she left the Town because of Marie. I suggest to you that Lisa Gorman in 9 years got to know Marie Crozier, and was grateful that Mary Dinehart took the step that she did. Barbara Martinuzzi, over 5 years, got to know Marie Crozier, and because of her she has been looking for other work. All three of these people described their fear of reprisal in the event that they came forward. I believe that Mrs. Martinuzzi indicated that Mrs. Crozier would tell her and others within the department that you'd better not go to Bob Doney and Bill Crouse and complain about this because they're my friends. These people had a fear of coming forward with the type of--to tell Mr. Doney and Mr. Crouse about the type of conduct, but ultimately, when Mary Fae Dinehart came forward with this, they had the courage to come forward and tell you what has been going on in that Finance Department for many years. Now, perhaps Mary Dinehart did not get to know Mrs. Crozier well enough. We have seen the animosity and the venom that has been leveled against her because of the conduct which she reported and that she felt she had the responsibility for herself and others within that department to report. Then you heard from the accountant who attempted to minimize--this accountant came on, a CPA, and attempted to minimize Mrs. Crozier's activities with the 99 exemptions, even though he indicated in response to some questions asked form counsel, that yes, it was a technical violation of the code, and no, I have never advised a client to do what Mrs. Crozier did. Then we heard today from Mrs. Crozier, who today owned up to her responsibility to do the right thing in regard to the petty cash, and I'm not going to stress the petty cash. I think that particular issue is--was a mistake. I don't think there was any intent by Mrs. Crozier to defraud the Town. I don't think she would defraud the Town in regard to that type of thing. I think that as supervisor of this department that she should not have had a double standard in regard to the manner in which petty cash was handled. I think she should treat herself the same way she treats others within that department. I don't believe that this type of an attitude, as it relates to a hostile work environment, and this type of an attitude that despite what the law says, Mrs Crozier is going to do something else because she feels it might be better for herself or a fellow employee is the type of attitude that should be taken by a person in a leadership position in the Town of Palm Beach. A person who serves as an example to others, a person who is known in the Town and in the financial community for handling $31 million of a budget, and approximately $150 million in assets. Mr. Curtin says this is not 1984. He's right. It's 1996. We live in a day when the populace expects excellence in government. We live in a day which we expect our leaders to have integrity which is beyond reproach, and we live in a day that abuse and mistreatment of those in our employ will not be tolerated. I urge you to support Mr. Doney's recommendation that Mrs. Crozier be removed as Finance Director, but I urge you to support that recommendation based on the evidence that is before you, and I believe the evidence before you is strong. You may have forgotten it because it was a long time ago when those witnesses were up here, and it's been--and we've been hearing these other people testify as to what a nice person Mrs. Crozier is, but I ask you to pay heed to the people that worked within that department, not to the community with which Mrs. Crozier has associated herself. Perhaps you think some of the evidence is lacking to justify some of those things which are included within Mr. Doney's report. Perhaps you think some of those are minimal. Perhaps you even think some of those are silly. If that's the case, then don't rely on that as a reason for supporting Mr. Doney, but I suggest to you that the evidence strongly supports Mr. Doney in his decision to recommend Mrs. Crozier's discharge as a result of the hostile work environment that has been created. I suggest to you that the evidence strongly supports Mr. Doney as to the matter of the W-4 declarations and the failure to file those W-4s with the IRS as required by law. And I really believe that for a department head to take a loan of $1,500 from a subordinate is poor judgment as it relates to the manner in which that department head might have to relate to that employee, and to treat that employee the same as she treats other employees within that department. I believe that's an error in judgment that compromises the relationship that a department head should have with an employee. We have other facts which some of you may consider more minor, such as using subordinates to do personal banking on Town time, the double standard in regard to the matter of handling petty cash, and I won't go through the others, but what I would ask you to do is to support Mr. Doney because he's right. As we said at the beginning, Mr. Doney took a long time thinking about this, and you know that Mr. Doney wants to be accurate, and you know that Mr. Doney wants to be fair, and you know that Mr. Doney cannot tolerate this kind of conduct in one of his department heads, and I ask you to support Mr. Doney in his position. Thank you very much for your time.

SMITH: Thank you Mr. Randolph.

CURTIN: Well, you have the Town Manager's Administrative Report on Marie Crozier concerning her employment with the Town. You are free to accept it or reject it or modify it. The power fundamentally rests with you as Mr. Randolph indicated yesterday in his opening statement. The Town Manager has not carried the burden required to dismiss Marie Crozier from her job as Finance Director with this Town. Most of the allegations in the report are unsupported in the record. The man responsible for this report did not do one iota of personal investigating. Under questioning, he could not tell with any detail what went on in the investigation, what was said by the various people who provided any of the specifics necessary to formulate or substantiate these allegations. Mr. Doney did not go to either of the persons who made these allegations, either Ms. Dinehart or Shields, and confirm in his own mind the truthfulness of the allegations or the weight of their substantive value. To all questions concerning specifics of the report, Mr. Doney replied that he relied on others, and he acknowledged he made no independent investigation. The two parties who were identified a having constructed this report were Mr. Crouse, who never testified, and Mr. Elwell, who testified on one point, the Radio Shack exhibits. They were the compilers of the report, and Doney touched--did not put his hands on any of the fundamental evidence. This is a monumental error, which makes this report infirmed. It is truly a bogus report which lacks specifics necessary to justify her dismissal. Because of this critical failing, there is not sufficient information here to justify the dismissal of Marie Crozier as Finance Director of the Town of Palm Beach.

Further proof of this lack of specific supporting information is each of you, you Council members' lack of involvement in the investigation or the knowledge of the charges and what was happening in this investigation until Doney issued his report on April the 16th of this year. In an effort, after we received the report on Thursday the 4th, where we were supposed to return our response by Friday, Good Friday, I might add, and I happen to observe Good Friday, although I wasn't able to this year, uh, we were supposed to come back with a response in a little over 24 hours. After some torturing back and forth the people who conducted this investigation left the room and Mr. Randolph did come back and make the concession to us that we could have until 8:30 on Monday morning--that was Easter Monday the Monday after Easter. Ms. Crozier and I worked until from about mid-day 12:00 until about 11:00 that night. It was a pretty constant effort to try to comply with a response to a Town that had had six weeks, with all of the engines and all of the wheels that you have seen in this room. I don't call that due process, but maybe you folks do. Um, I spoke with Mr. Shaw about this, because on the night that we met with Mr. Doney and Mr. Randolph in Mr. Randolph's office, along with Mr. Elwell, and we presented our report, we didn't know whether we weren't going to come on this Council the very next day, and we had to come in and defend ourselves at 9:30, because if you remember, the very next day you had a Council meeting, and I, in kind of a sense of fright at home at 9:30 at night called Mr. Shaw because we used to be neighbors. We lived a couple of doors away from each other--we didn't know each other well, but I just said am I on tomorrow or not on the Crozier issue--as I literally did not know. Now, I call that abusive. I have been practicing law for twenty some years. I've been a resident of this Town for sixteen years, and I was shocked by the lack of accord that was accorded to us throughout this process. Um, and I ask you in your own spirit, and I remember this conversation I had with Mr. Shaw, because either that day or the following day he indicated his own sense of perturbment because he had not been involved in and did not know what the results or the charges, or what was going on in the whole Crozier investigation. And I submit that neither did the rest of the four of you. Um, this administration kept all the facts involved in this inquiry from you until it was over, and until after they had incurred $62,000 in accounting fees to determine that no money was missing from the Town. I heard the number $62,000 yesterday as what the accountant actually ran up, as what his invoice was, and somehow there wasn't a connection between that and the $40,000, but this man invested--or that firm invested $62,000 in time. Now mind you, that $62,000 was invested in March after a clean audit in December. Correct? I believe that's correct. You had a clean audit for 1995. You normally pay $58,000, as I understand, for your audits, and that particular audit, that special audit, if you will, was for that amount of money. I suggest this investigation has cost the Town over $150,000, and I wouldn't be surprised if it approaches $200,000 as you sit here today. And the costs will continue, I suggest to you. There is an investment in this discharge by this management group, and I don't know why. Why hasn't some sort of a grievance procedure not been used to review the nature of the allegations and where this started between these two disgruntled employees in late February, and tonight at 8:30? Mr. Doney testified that he never called Marie in to discuss the alleged hostile work environment. He also never mentioned on a first hand basis whether either Ms. Dinehart or Ms. Shields had been met with or discussed about the accuracy of the charges. You have to ask yourself why this issue hasn't been mediated before this extensive effort was set in motion. I can tell you that at every turn we have made efforts to negotiate a resolution and our efforts have been rebuffed. This is one of those unfortunate situations where something is set in motion with very sketchy charges which stem from highly personal motives on behalf of a couple of employees. And it developed a momentum which carries--which somehow must be carried to a conclusion. And what that turns into is this inquisition. Let's make no bones about it. This inquiry has turned into an inquisition. The Town spent five weeks in developing its facts on its original charge. Marie Crozier was given 24 hours to respond. We begged forgiveness. We were given until Monday. Town employees have been called into rooms at the Police Department and their statements were videotaped without many of them knowing that they were being videotaped, and I can cite specifics concerning that. The administration has continued to hold the threat of criminal charges against Marie Crozier through the start of these proceedings, which is Thursday morning, yesterday, or actually two days ago now, May the 2nd, concerning the $62.00 petty cash claim. They have continued to hold the check kiting issue open, despite being unable to convince prosecutors to issue an investigative subpoena after three separate efforts. Yesterday, the administration allowed three detectives to sit in the back row, right where that gentlemen there in the white shirt is, if you remember, right behind Ms. Wiener. They sat there all day. Now I'm a taxpayer in this Town and I gotta wonder why three cops would sit there from ten in the morning until 6:30 at night, and then today we had another one there--oh, he's still there, sorry, Major. He's here--I guess a permanent fixture. That lady there is a court reporter. There is a record being made in these proceedings. I mean, what are we doing here? Marie Crozier got up here today to testify and Major Reiter was sitting in the back of the room taking notes, as he was yesterday. This is the open and fair tribunal. Mr. Randolph asked me if I would mind if a couple of employees stayed in. I thought we had some folks over here yesterday that, uh, had an interest. I didn't realize he meant three detectives. Open, fair opportunity to be reviewed without intimidation? I want you people to search your own hearts and ask yourself would you consider that open and fair? Would you consider holding a criminal investigation open until Thursday morning? We call the prosecutors office, and they were quote waiting to hear from the Town about the $62.00 issue. Now, that's government in the sunshine. That's fair play, right? Major Reiter, as I indicated to you, also sat here today during this testimony--throughout the day while Ms. Crozier testified, putting, I suggest to you, considerably added pressure on a person who came forward, and we have had many discussions because of this ridiculous $62.00 issue hanging out there about Fifth Amendment rights. How could Mrs. Crozier have come in here and taken the Fifth and not defended herself, and yet by her actions to defend herself she's here with a gentleman taking notes about her in the back of the room. I would have offered--I mean, that court reporter has been here, why I ask you? I don't want to belabor the point--it's called intimidation, that's why. One last point--why did we raise the ICMA--you asked that point, Ms. Smith. Do you know why we raised the ICMA, because we felt that Ms. Crozier should have an opportunity to defend herself because she's a gutsy lady, and that's why she came into this room, and you've had two lawyers, Mariani and myself in here for two and a half days, and I've been on this case since April 1, or whenever you retained me originally, Marie, just about full time. And I've been up against the Town's resources. I'm a zoning administrative lawyer. I had to bring in a trial lawyer, so we're ready to go across the water. That's what he does. Ms. Crozier has been prevented from getting access to her money, which is her own personal money, to pay for her defense. As recently as Thursday, I'm sorry, Wednesday, the day before we came in here, we had to deal with the ICMA on an application that was made in the beginning of April, and the form for the ICMA says five days, not seven, as Marie said, and we found that we were in this room on the 22nd for a hearing--Mr. Crouse came by and said your application is denied, as we were leaving the room. She then called the ICMA and I then called--she got in touch with her lawyer, and I had to deal and wrangle with her lawyer through Wednesday. The Town hadn't processed the papers, da, da, da, da, da, da, da, da, da, da, okay? I won't go into all the gory details. The point is that they sat on her access to the money. That's the sixth count of intimidation. Now, why did I get up here to talk about intimidation? Because I'll tell you it's rife in this Town, and it's frightening, and I'm a resident of this Town, and I love this place. I raised a kid in this place. I moved my son here when he was ten months old--he's a big sixteen year old now, and I'm embarrassed by this. We have been paid a fraction of the representation here. But we're in here because I went to law school and I think this is unconstitutional, and I think what's gone on in this process has been intimidating in the extreme. I didn't pick Orwell's book lightly, and I'm going to go back to it, because it's the most effective way. Mr. Randolph, as he's been prone to do throughout these proceedings, misconstrued the use of the book--maybe if I repeat it he'll understand. I didn't quote 1984 because of the time frame versus 1996. I quoted it because of the principal of over invasive government. Orwell's book stands for the proposition, and I quote from page 6 of this particular edition, which is a Signet classic--it was even conceivable that they watched everybody all the time, but at any rate, they could plug in your wire whenever they wanted to. You have to live--did live from habit that became instinct in the assumption that every sound you made was overhead, and except in darkness, every movement scrutinized. I don't know how you can say it any better than that. I just don't know how you can say it better than that. I submit to you that this has become a vicious inquisition. The Town management somehow has an investment in this. What brought this matter to this level, and to this attention? Well, one of the things, because I have puzzled every night for the last week to understand why this matter wouldn't go away, and you Council members know I circulated a letter two nights before this thing was to start to at least invite dialogue, and I received zero response to that. I think that there is an issue in this that hasn't come before, but I suggest it's here--I think there's an issue of good ol' boyism. I think that there's an issue of the guys and those kinds of issues here. And somehow--you know, we don't know how to deal with a couple of women having a dispute in a department. As I sat down with my two electricians yesterday--we were out there, you know, we needed some humor, you know. A couple of guys would go outside and they'd kick the crap out of each other and that's how you'd resolve it, but that isn't how women do it, I guess. They have a different mode, but somehow in this that issue is present, and I suggest it hasn't been well treated. What has brought this matter to this level? You've heard Marie Crozier's testimony concerning $62.00 missing from petty cash. This was a confusing set of circumstances due to the number of returns of the equipment, the fact that more than one person participated in the returns, namely, Marie and her husband, and the fact that there was a credit involved, a credit back, you know, on a piece of paper. Now, Marie didn't--when the electricians, and the reason the electricians were here to show you how many times back and forth this thing went on--when the electrician came and said this doesn't work, Marie said, fine, I won't make him go, I'll go by there. Bob, her husband, came and returned the thing, and he got the hot wire mechanism, and he got the receipt, so she didn't do it physically herself. Two went back, one came out, and it's all in a bag and it's got an invoice. Look at your invoice there, and she looked down and she saw $39.00--$39.99. A simple human error, I guess it was down--it was down the line below that. She took the $40.00 and laid it on the desk and that was the end of it. The electricians indicated it took six trips to get this thing done--six times to install a little voice box that goes from here to there. It was just one of those--you know, you go to get the screwdriver for the boat, and before you know it, you know you're into major problems. Um, if Marie had wanted to steal from the Town, she would never have returned the second invoice showing the returned items and the $62.00. You've got the two invoices there. I suggest you look at them. The first invoice shows symmetry. You got $105.00, and you got a petty cash receipt for $105.00. You want to steal, you don't bother any more than that. You completed the transaction in the box. But, no, she put it back in. She went the distance. If she didn't want to do that, she wouldn't put the second piece of paper in there. Therefore, there's no motive. Therefore, there's no crime. Therefore why does the Town of Palm Beach, which Skip Randolph will tell me, have criminal charges sitting over here? So not only has she been incurring the expense of Mr. Curtin and Mr. Mariani, she has yet another lawyer I have to consult with every time I walk out of this room--Mr. Duncan, who's her criminal lawyer. She's in triplicate on lawyers. You talk about being aswim in this. And I'll tell you, I like making fees, but I sure haven't liked making them in this case, and I haven't made many in this case. I'm here because I think this is an outrage, and I think that's why Mr. Mariani's worked this case until well after midnight every night. We're exhausted, but I'll tell you there's just--you know, once in a while you get a chance to stand up for something you think is wrong, and these guys are all getting paid, but somehow justice went awry in this thing. I've told you about the invoices and that she would not have returned them if she were really out to steal something. It was a simple human error, which brought forth--which was brought forth a year later. The two electricians testified as to what transacted--they testified to the oddness of the circumstances, oddness only brought on by the fact that it was a complex, you know--take it back, this doesn't work, take it back again, you know, back and forth, six trips to the hardware store. Even Mr. Elwell testified that he admitted making $62.00 errors sometimes. And notice that's the only thing Mr. Elwell testified to. Mr. Elwell's a very smart guy. I respect Mr. Elwell. He's a very knowledgeable man. He's quick witted. He's quick mentally. Notice Mr. Elwell only testified on the issue of $62.00, and Mr. Crouse didn't testify at all. Now, I suggest to you that that is a critical infirmity in this report--that we're all here today 'til quarter of nine on a Saturday night. Understand, and I'm sorry for my sense of outrage, but you know, sometimes powerful emotions just have a way of spilling into the room. Um, this charge is brought against a woman who has been an employee of the Town for 22 years with an exemplary track record. She manages an annual budget of $31 million. She oversees Town finances of $150 or $155 million. Her department, which she is the head of until today, has for each of the last five years received a performance award for her--for the budget performance for the budget which they put out. They continue to receive awards for their budget accomplishments and capabilities. The Town, I suggest to you, has received a clean audit in each year--I mean, a crystal clean, exemplary audit, in each year that she has been Finance Director. Now, you know, we're all human beings. We all come forward each day and we try to build that brick one stick at a time. You know, raising a youngster I'm acutely aware of that. You know, on the eve we were coming in here my son, first day of football, broke his fibula, you know, and he was a bear, so I got two hours sleep before Thursday in here, because I had a kid with a busted leg, and the pressures of this thing. The only thing I could think to tell him was, you know, keep trying son, you know, one brick at a time. Marie Crozier has built her bricks with this Town. She's built a nice edifice until this thing came about. Mr. Wilson, a senior member of a national accounting firm, Coopers & Lybrand, testified that the W-4 issue is the individual's responsibility. There was no free loan, as I believe you asked, Mr. McLendon. Um, no free loan, and because the tax must be paid with a penalty, if necessary, and there was no effort to not pay the tax in this case. Ms. Dinehart, who brought this entire matter to management's attention about the 99, had, it turns out on cross examination, also taken advantage on at least two occasions of this exemption. Uh, we heard testimony--Mr. Wilson indicated it--that it is an allowance, and it's an allowance that incudes deductions, dependents, and business losses. Mrs. Crozier has indicated the personal circumstances that brought her to this situation. I don't believe that this is an issue--that this issue of the W-4 is an issue of such concern that someone should lose their job over it, as Mr. Randolph spent an inordinate amount of time in his closing argument about. You don't destroy someone's life and their earning capacity, because Marie Crozier is the principal bread winner in her family, over an IRS form. The IRS has expressed no concern over this, so why should a person's career be destroyed on this basis? The whole focus of what Randolph was driving at was that there was notice in December, and she didn't put it out until January. She waited 30 days to give some employees, it turned out including herself, but, you know, do you just institute a procedure like that (snap of fingers), or do you provide notice? You've been doing it for 22 years, what's the foul--what's the harm? The IRS, I can tell you, wouldn't destroy this person's career over the filing of that form. What right do you have to do that? I'd ask you to review that question as you think about what rights you have--what your responsibilities are to terminate Marie Crozier's career that she built brick by brick in this community, and in this Town. You know, one of the issues with Marie that I think you need to know before we go into hostile work environment--Marie Crozier's self trained on the job. You know, she didn't go to college. She didn't go to law school. She has some junior college. She's got some--every year she takes two seminars to professionally qualify her, but she was hired into this Town, I think, back in the George Frost era, grew up in the Town--she's a home grown plant. She came her as a kid. She was twenty-three years of age, and she's worked here--she's now forty-six, okay? Her whole adult career has been here. Her whole adult career has been trained on the job in this Town, and she's worked her way up through the ranks. Think about that. Think how few women today have worked their way up to that kind of a position, that kind of a sense of responsibility, um, to be in that role. Yes, she might have a few rough edges--so did Vince Lombardi. One of the witnesses up here--I think it was Ms. Jones, a very demure woman, indicated that Marie was like a coach, and I'd suggest those of you who have had athletic training, to think of Marie in that role. You've known Marie pretty well, most of you. You know, a coach isn't a bad analogy when I heard that. You know, sometimes a coach has got to kick somebody in the butt, and sometimes he's got to stroke 'em, and hopefully the coach is a decent enough guy that he does it behind closed doors. You know, Lombardi built a couple of championship teams, and he had guys on the team like Boyd Dawler, and artistic types, and he had some real carousers like Paul Hornung, and some of us remember those kinds of names, you know. And somehow he molded those people into a unit that was effective, and he made it happen, and uh, I guess the roles are out there more clearly for those older, more established male figures, but, you know, Marie Crozier's probably at the advance end of the generation of self trained, self made people. But look how far this lady has come, a brick at a time. Let's look at this issue of hostile work environment. Concerning hostile work environment, I think you must weight the testimonies of the various parties who have come before you in the last two days. There appear, obviously, to be two separate points of view on this. You have the testimony of Mrs. Gorman, a young woman who has--while she's been here ten years, has only worked for her father before working for Marie, and she indicated that Marie was a generous and thoughtful person, but that she was also complicated. Gorman, mind you, was also very good friends with Dinehart and Shilelds, and that was acknowledged. Ms. Martinuzzi was, I suggest to you, a very caustic woman with an ax to grind. Ms. Kelly is an unfortunate young woman with psychological problems that were evident long before her problems with Marie arose, and she testified to that. Other employees said that she was highly emotional and cried at the drop of a hat, and I would suggest to you that she indicated in her testimony that the primary reason that she changed was because she had to travel a great distance, and she had two young kids. I would ask you to compare these witnesses with coined phrases. If you remember Ms. Martinuzzi she came out with four blistering words as her opening statement--if that isn't a coined phrase I guess I'll take the word coached and say maybe a coached phrase, and we even had a witness who came with a dictionary in her hand--that was thoughtful. Um, I would ask you to contrast those witnesses, all of whom I would suggest to you were relatively young women, new in their professional careers, uh, and on the early side of the maturation cycle. I would ask you to contrast that with the witnesses who testified on behalf of Ms. Crozier, that she was a productive manager who sought to create a positive work environment. These witnesses included men and women of a variety of personalities and ages, from Henry Marchman to Mr. Weeks. Uh, many of these were mature people, who had been with the Town for 15, 20, 22, 27 years. They represented all sexes, all walks of life. We had everything from a golf pro to people who work right beside Marie on a daily basis, and the golf pro acknowledged--I think Mr. Randolph required him to acknowledge that he worked, I think it was 5 miles from City Hall, but he also acknowledged that over 18 years he had known Marie Crozier pretty intimately and well both professionally, and just in their interpersonal exchanges, and that he had always had a very positive experience with her. Mrs. Wall works in--Ms. Wall works in Marie's department. She seemed like a very level headed person, and she stated that Marie should remain the boss of that department. She testified concerning Marie's professional management skills and her ability to maintain a positive work environment. Linda Jones was 14 years in the Finance Department, 17 years with the Town. Now, maybe 'cause I'm getting a little long in the tooth myself, I start to believe that, uh, you know, we do build things one brick at a time. Instant wonders, the Dion Sanders of the world are fine, but, you know, there is something about longevity, determination, getting out of bed every day at 6:00-6:30, you know, that proves--that has something to say about character, I think. Linda stressed Marie's honesty, her diplomacy, and her leadership. She spoke of her as a coach, which I've already discussed with you. She said Marie took people into her office and closed doors whenever there was a dispute. She also testified about a couple of bad apples in that department who had started this conflict, and she named them. Now, I can tell you, for Ms. Jones to come here--if you'll remember Ms. Jones, a very slender, tall woman, very reserved, if you will, very, I guess the word is demure--it was hard for her to come in and do that, believe me, it was hard. She was one of the people that felt uncomfortable--perhaps it's just a personal discomfort, but, you know, in her own way, she's a stand up player, because she felt that Marie was being treated unjustly and she walked in this room to tell you that. Linda Pickett, another mature woman, said Marie was always friendly, highly professional, and a pleasure to work with. There was consistent testimony from these mature people in Purchasing about what a steady woman, and an asset Marie Crozier is in the Finance Department. Now I'll grant you these people don't work right next to her, but one said she was in here four out of five days a week, and the others indicated they met with Marie or dealt with Marie on a very regular basis, and you had a consistent pattern there. Each of these people testified to her honesty, her integrity, friendliness, and hard work, and if you remember, and I know it sent a pang in your heart, but because of the charges that are lodged against her--Marie--I had to ask them--do you think Marie's a thief? Many of them stated they came forward because they were shocked at the charges alleged against Marie, having known her for so many years. Other employees came forward who knew Marie in her role as the Town's Finance Director, although they did not work immediately with her. I've mentioned Mr. Dytrych. He cited the I Love Palm Beach button that Marie wears as an example of her loyalty and her sense of devotion to the Town. Mr. Wearn, who sat in your chair, testified to her competence, her integrity, and her professionalism, and he indicated that he has worked with her for a six year period in a fairly heavy duty job in the Finance Department, and I know you're on the same board, Ms. Smith, so you understand the role that that board plays, so Mr. Wearn's had some fairly substantial exposure to this lady. You have rank and file workers to former Town policy setters like yourself, and there was a consistent thread of admiration for Marie's professionalism, her integrity, her work ethic, and her honesty. I don't know how else you deal with the issue of honesty when you're accused of these kind of violations. Mr. Randolph wants to disparage our efforts. He thinks by saying Marie Crozier's a nice lady we don't have to bring anybody in here. Well, I wish he had told us that on April the 4th, so we wouldn't have to go through this process, and I'll bet right now you're wishing he had told you that too. I suggest that there's only one way when your integrity is impugned. You can't take it off the plate by yourself. You have to ask other people who know you and who deal with you and have a sense of your character to come forward and sign petitions or submit letters or come in here and testify, and that's what those people did in spades. I frankly cut it off--I could have walked half the Town's employees in here, but it just, you know, after a while it becomes repetitive. I would ask you to note that on the Petition there are 38 signatures that were signed in a matter of three hours before Bob Crozier was quote cut-off, okay, we had problems after that. Now, these people came forward openly--Bob got them outside of the immediate work area out in the parking lot asking if they were willing to do this. We found no lack of willingness to support Marie based on her exposure to her and her efforts for the Town. Many of those witnesses who came forward stated that they did not want to see this loyal employee destroyed because of these issues. The claim of check kiting in the report has been blown out of proportion. Marie had explained her personal financial circumstances based upon the death of her father, and the financial pinch that this placed on her and her family. Marie is from a poor family, and she has tried to help her mom and dad out in a time of personal crisis, the death of her father. That seems like a pretty noble thing to do, in my opinion, and yet all we've heard in here is about check kiting and what a bad, you now, credit risk, I guess, Marie Crozier is. I don't believe there is anyone in this room who has not at some time written a check that there were not enough funds in the account to cover. At the end of the day, Marie was able to cover all of her financial obligations, and that's the determination that the banks came to, and as a matter of fact it's even in your criminal investigative report that you people commissioned. Nobody's put a dollar value on that one, but I'll bet if you added up the man hours it's up there at the same rate as the accounting report. I think it says $107--$107,000 in and $106,000 out. So that balanced. In the investigation, the Town investigator tried to make a criminal issue of this, but on three separate tries the prosecutors turned them down--wouldn't even issue the investigative report. In evaluating this issue you have to ask yourself how this information was obtained--the check information. Mrs. Bragel testified to the expectation of privacy that Marie had by placing her bank transaction in a personal envelope, which was in turn sealed. Marie had an expectation of privacy which should not have been intruded upon. Dinehart went into Marie's deposit envelope, which were sealed, and made copies of them. This was a clear violation of Marie's right to privacy. I would suggest to dismiss Marie Crozier based upon this would be a gross error. The specific reason why I've cited 1984, the book, to you, is precisely that. This is a misguided employee who has grossly gone over the bounds of privacy, and I would think that you collectively, and you individually would be outraged at that, as I am, and yet it's still in the manager's report, and he had two tries at this. He had a chance to perfect the process, and I can tell you he didn't get a day or two to respond. In weighing the issues you must first recognize that the Town is missing no funds. That's what your $40,000 or your $62,000 report shows you. This entire set of circumstances was set in motion by two disgruntled employees who set out to quote get their boss. It is clear from the testimony that Mary Fae Dinehart had an ax to grind against Marie Crozier because she had been passed over for promotion which was given to Kathy Wall. Because of this she created a disruptive situation, and generally turned what was a positive department into a divided situation. Marie attempted to deal with that. She called in Mr. Crouse. It was right about the time that her father was dying or had died. The day she got back from her father's funeral, Dinehart's complaint, or what do you call it, complaint, petition, notice was on her desk. That's why so much of this has focused on Dinehart in answer to Mr. Randolph's questions about why Dinehart? She went into her pay envelope. The day the lady comes back from her husband's funeral--now this is someone working with her--her father's funeral, excuse me--the day she comes back she's handed the petition, you know, after Crouse has been in to attempt to mediate the problem. Now, if that isn't setting out to get you, I don't know what is. It is incumbent on you, the Town leadership, to put these matters back in their proper perspective. Marie Crozier is an honest, hard working woman, who does not deserve to have her 22 years of work effort with this Town set aside for these unsubstantiated and flimsy allegations. You have heard testimony concerning Marie's exemplary record as an employee of the Town. You've had a chance to observe her work reports, many of which were prepared by Mr. Doney, and they are consistently outstanding. Marie Crozier deserves to keep her job. She also deserves not to be destroyed by these slanderous allegations. There's a quote--there is no crueler tyranny than that which is perpetrated under the shield of law and in the name of justice by Montaine. I know you enjoy quotes, Mr. Ilyinsky--I put that one in there for you. I believe you, the Town leaders, have a duty to stand up and recognize that this has been a misguided effort. It is a scud missile that missed badly. There is an element of good ol' boyism, as I've already mentioned to you about this. Dusey, head of Public Works, and his report is entered in the record, was cited in 1992 for a hostile work environment. He got off with a little meeting with Doney and some of the other people, and a reprimand. Mr. Moore--Mr. Dusey has been a manager of a department, just like Mrs. Crozier. Mr. Moore had a somewhat unfortunate circumstance, which you'll all remember, and which I don't think we need to drag out in detail, but involving certain improprieties, and it was investigated by a body other than this, but it also came to the Town's attention, and there were--there was a report concerning that, and Mr. Moore was also permitted to remain in the Town's employ and with a slight censuring but he went forward and has continued to remain a very productive member of this Town. You know, we are human beings--errors can be made. I've given you two examples of people who sat at the same level as Marie Crozier in this Town--they both happen to be male--they were not fired. Now, does the good ol' boy system work differently? Does maybe because we guys can go out and have a few beers, or maybe go to a ball game, or I don't know what it is--is maybe there a different standard there? I don't know. You need to put an end to this vicious inquisition, which started two months ago. You need to retain a person with integrity, a work ethic, and a devotion to the Town of Marie Crozier. To do less than this is to continue the injustice that was set into motion by one disgruntled subordinate beginning last summer. Marie requests that you exercise your sense of fair play, and Ms. Wiener gave a very eloquent presentation--I'm going to knight you with you law degree tonight, Ms. Wiener, on my behalf--the Barry Curtin Law School. She gave a very eloquent presentation on the issue of fair play, and I can tell the lady sat in that chair for a long time, and I think each of you did too. You know, there was a stillness in the room because she dealt with the gravity of the issues, the magnitude of the circumstances, the difficulty of your decision, but also the sense of fairness, and she reached her conclusion. May we request that you exercise that sense of fair play, and that you retain her as your Financial Director. Thank you.

SMITH: Thank you Mr. Curtin. Time out. Time out. Ten minutes.

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SMITH All right. We'll reconvene the meeting. Members of the Council?

We are doing what the jury does in public.

PHETERSON: What I'd like to do is propose a format to go forward, which is essentially what I've previously discussed with legal counsel for both of the parties here, and that is that we basically have a two-step deliberative process: one would be--the first section would be an open discussion among members of the Town Council to discuss your thoughts on this matter, and I would emphasize both to those who will be the decision makers, and to the audience as well, that this first portion of the discussion should be free and open, and that anything that is stated in this first section will not necessarily form a basis, or partial basis, for any decision that would be made. After this-- the point where this open discussion would occur, at that point, I think that motion could be made. We will need to make a motion that will be based upon Section 2-7 of the Code of Ordinances, dealing with Notice Hearing On Suspension The Removal of an Officer, and that motion should contain specific findings. At that point, we would need to identify as a part of the motion certain specific findings that would form the basis for any decision. If the decision is made--or the motion is not to approve the recommendation of the manager and to reinstate, I don't think that there would be a requirement that there be very detailed specific findings. I think there would be a requirement for some specific findings if there were a motion to remove or approve the recommendation of a discharge. Those findings, if a discharge were to be the ultimate decision, should be based on competent substantial evidence that came before you in this hearing. There are two things that I would just take a very brief moment to re-emphasize. One is that they should not be based upon hearsay evidence, and I can assist you in that analysis as to what is actually competent substantial evidence and what might be hearsay. Essentially, that would be information that would be contained in the exhibits and in testimony that is based upon observations of actual persons involved. The second is, you should not base any of these findings on the statements of legal counsel that would be made that is not otherwise supported. I guess as is customary in the heat of the moment, counsel for both sides, I believe in this situation, made statements in their closing arguments which were not actually strictly based on evidence that came forth in the course of this hearing, and that is not evidence that would form the basis. I would propose that that be the basis that we go forward.

SMITH All right. Thank you, Mr. Pheterson.

McLENDON: As I understand what Mr. Pheterson said, it is proper to make a comment at this time, and my comments (unintelligible) that I believe there are improvements that can be made in the Finance Department. I believe most of what we've heard about should have been addressed by administrative action.

SMITH: Mr. Mayor?

ILYINSKY: I suppose no good deed goes unpunished. I think I would like to start off by congratulating all of the lawyers involved in this case. Our own Mr. Randolph, Mr. Curtin, and your associate. I've learned a great deal from all of you. I'm sorry I didn't take a bar exam because there are times that I'd like to be on that side of the fence too. This is probably an extraordinary situation that we all find ourselves in, and what I should say now will probably occur to me later, for which I hope you'll forgive me. But, let me just read a couple of remarks I wrote down this morning, and I agree with you, Mr. Curtin, wait till you have five children--then you'll really know what problems are.

To begin with, let me state without any reservations whatsoever, that I firmly believe the Town Manager was acting well within his parameters during the course of this investigation. I also believe, having been there once or twice myself, that a commanding officer has every right to depend on his subordinates for information. It is then up to him to study, assimilate, peruse, etc., etc., etc., and finally to make his recommendations. Whether or not those recommendations are accepted by a higher staff, one can only surmise. I believe that Mr. Doney has done all of these things, and I believe that he has done them all well. Having said that, and having sat here now for at least two and one-half days, during which time my entire rear-end had changed shapes, may I suggest to you, listening to witnesses, evidence, etc., etc., etc., I find myself feeling great pride in being the Mayor of such a Town, but also great sadness at what has been going on. As I, too, have known almost everyone involved in this trial for many, many years. So much for sentiment. I asked myself this morning, trying not to look in the mirror, by the way, what is my primary responsibility as the Mayor of this Town, in all of these types of inquisitions, trials, discussions, whatever word you want to put on it, and it suddenly occurred to me very clearly that it's not to any individual that I owe allegiance, (because I took an oath when I became the Mayor of this Town not to worry about that so much as the general good) but rather to the whole Town and all of its citizens. One of the things which I hear mentioned in the street, and God knows it's been mentioned enough in the street the last two and a half days, is the Town or is the Town not missing any funds? Not whether Mrs. Crozier went out and bought a pair of pantyhose and hung them on the back of someone's car. That is not my concern--it really is not. As someone who has no vote, but theoretically has the right to lead by consensus, I can say truthfully that the fact that there's not one single nickel missing of taxpayer's money is good enough for me, because that, I believe, is the fundamental reason why I'm here. I agree with the manager. I think that Mrs. Crozier should probably be removed as the Finance Director, but I would fervently hope, and fervently pray that this Town has enough courage to hire her back in another position. Let her take early retirement if she wants to, but she does not deserve, I don't believe, with the evidence that I have seen, I do not believe that she deserves to be fired. Now, as I said, what I should say now will undoubtedly occur to me later, but I want this clearly understood that the Town Manager, as a commanding officer, has behaved very, very, very well. To Bob Doney, my heart goes out, because there's nothing lonelier than command, I can assure you. Nothing lonelier. Because sometimes you make decisions that kill people, and those are the worst of all. In this particular case, I think the manager has behaved like a gentleman should. I am proud to have him as my manager, but I would also beg him to look into the situation a little further in terms of re-hiring Marie Crozier, and giving her at least the chance to spend the rest of her life in, hopefully, what will be a friendly environment, and finish her term as working for the Town. Beyond that, thank you, Madam President, I have nothing further to say.

SMITH — Thank you, Mr. Mayor.

Mr. Shaw? Mr. McDonald?

Mr. Shaw, or Mr. McDonald?

SHAW: — Mr. McDonald's still writing.

SMITH: — All right.

SHAW: — Uh--I think that it's important to realize that the amount of time, effort, and ultimately dollars that have been spent by the Town have not been spent on a witch hunt. There were basically spent to come up with a conclusion that nothing was wrong, that Marie has conducted herself in the proper manner expected of a department head, and that there were no allegations, or that these allegations really were unfounded. And I think to look at an individual item independent of everything that we've heard is not exactly the way to deal with this. We have to look at it as a picture. My main concerns are whether or not the judgment is there to be able to oversee, as you've heard, a $31 million budget. Is there a potential for errors to be made by someone who is entrusted to safeguard the Town's finances? Not whether money is missing from a bank account, but whether or not the way in which we're doing our expenditures--the way the Town is run--is being handled in the best interests. When an individual has a personal problem, sometimes it's best for them to step back, and I don't think we're dealing with a black and white situation here. The question is whether or not Marie Crozier is in a position today to be the head of the Finance Department--not whether or not she is to be cast off, thrown out of Town, and told to find a new life, and that's really what this issue is. The individual items show a trend--they show a pattern. It's not the issue of $62.00--it's the issue of should a manager sign and authorize petty cash slips that land up in a file undated? Should a manager be doing things with their subordinates that may or may not be considered appropriate? Yes, the management has to stand slightly above their subordinates, and as the Mayor said, command is not always an easy job. And I think that's really what we're here to try to determine--how does a manager, (in this case, we're now that level above) have to make a decision of what's happening at a level below. The issue of whether people are being threatened or harassed within the department, or threatened not to come forward or feel uncomfortable about coming forward--I think this is something we're going to have to work out. It's not going to get solved tonight, because obviously there is a problem, and we're going to have to take a lot of soul searching ourselves to find out where it's coming from and how do we resolve it. But I really feel that in the interest of the Town, and in the interest of the employees, that we need to do what is right for the big picture, and I feel that we do need to hold our Town Manager's recommendation as being the correct move. That doesn't necessarily mean that I agree with each individual item, but as I said, it's a big picture. I believe there is a place in this Town for Marie, and I would like to find it, but I would also like Marie and her family to take some time to sort out what they need to, and to make sure that they have--they're able to come back and work for the Town without having outside pressures, without having problems that may affect them, and so that Marie can come back and be here with us, devoting her efforts to the Town of Palm Beach, because I think we all love her. You know, I've only been here for two years, two and a half years, working with Marie, and I've always found her to be professional, and I don't think that was ever an issue. I believe there is other issues, and I think maybe they're personal issues that may have affected some of the decisions, and that's what concerns me for tomorrow. Nothing concerns me from 1980, 1990. Those are fine years. They were great. Um, I really can't say much more. That's my feeling. Uh, I think at this point--I don't think any of us want to make a motion yet, because I think we'd like to all speak, so I'm not going to do that.

SMITH: Mr. McDonald?

McDONALD: I have no comments, but I will make a motion. I think the Mayor's comments and Mr. Shaw's comments are very wise and shrewd and prudent, so I'm going to move that the recommendation by Town Manager, Robert J. Doney, to discharge Finance Director, Marie A. Crozier, be approved, understanding that this decision of the Town Council should contain specific findings, I incorporate the following findings into this motion:

Mrs. Crozier has exercised poor judgment, and by her conduct, as reflected by the evidence at this hearing, she has failed to maintain the standards expected of a person that holds the position of Finance Director. Specifically, this poor judgment is reflected by the following:

Mrs. Crozier filed a Form 941 Employers Quarterly Federal Tax Return, signed by her in her position as Finance Director, which form with attachments did not reflect those employees of the Town who had claimed more than ten exemptions during the fourth quarter of 1995. Mrs. Crozier had been told to have this Tax Return reflect this information by the Town auditor. Two of the three or four employees who would have been reflected on this Tax Return were Mrs. Crozier, and her husband, Mr. Crozier, both of whom declared 99 exemptions for a portion of this quarter. The Finance Director is responsible for insuring that the Finance Department submit these quarterly reports in compliance with IRS regulations. Mrs. Crozier created or tolerated a hostile work environment in the Finance Department of the Town by interacting with some Finance Department employees in a manner and tone which was found by them to be abusive, humiliating, and intimidating. It is recognized that this is not an opinion shared by all department employees, however, the fact that the department is divided to such a significant degree is itself a reflection of her failure to create a productive work environment for all Town employees. Mrs. Crozier engaged in a series of personal banking transactions with financial institutions with which the Town conducts business, which reflected poor judgment on her part. She provided personal bank transactions to Town employees for them to take to the bank for her. No other employee used Town employees to conduct personal banking transactions with the frequency used by Mrs. Crozier, and these transactions were done at the bank for Mrs. Crozier by Town employees on Town time in the course and scope of their duties. If any suspicion or concern were to arise as to, or did arise, as to Mrs. Crozier's banking transactions which had occurred, Mrs. Crozier would place the subordinate employees in a position of scrutiny. These specific findings reflect violations of the following violations of the Town's Personnel Manual:

Section 6-6.4: The employee has engaged in conduct unbecoming of an officer or employee of the Town either on or off duty.

Section 6-6.3: The employee has violated the provisions of this manual departmental policies and procedures in the Town's administrative policies, the data processing security policy, or any other approved rules and regulations.

Section 6-6.7: The employee has been offensive in her conduct or language in public, or toward the public, Town officials, or employees either on or off duty.

Section 5-17: Employee shall not conduct any non-Town employment or non-Town related business while on duty.

Section 6-614: Employee has engaged in unauthorized conduct to personal or other non-employment related business during assigned hours of work while on Town property, or by the personal or other non-employment related use of any Town owned property or equipment.

That's the end of my motion. I also feel that Mrs. Crozier has been a dedicated Town employee for a long time. If it can be done, I would like to see Mrs. Crozier re-employed by the Town in some other position. That's my motion.

SMITH: Is there a second?

SHAW: I will second.

SMITH: I must say, Mr. McDonald, I take exception to the fact that you made the motion without giving me the opportunity to speak.

McDONALD: Sorry.

SMITH: Um, I would think that would be a common courtesy that the President of the Council would be able to speak.

Mrs. Pollitt, call the question.

ILYINSKY: Wait a minute. He can second for a conf--discussion.

SMITH: It was seconded.

ILYINSKY: Then you can discuss.

McDONALD: Ya, there's discussion now, Mrs. Smith, you can make your comments.

SMITH: It was seconded, and um, I called the question.

POLLITT: Mr. McDonald?

McDONALD: Yes.

POLLITT: Mr. Shaw?

SHAW: Yes.

POLLITT: Mr. McLendon?

McLENDON: No.

POLLITT: Mrs. Smith?

SMITH: No.

ILYINSKY: No.

SMITH: Mr. Gilbertson, please, please--Mr. Gilbertson, get off of here now, please.

SMITH: Please. Are there any other matters to come, or any further discussion before this meeting?

DONEY: I have a question as Town Manager, if I might?

SMITH: Please, Mr. Doney.

DONEY: I'd like to, based upon the uh, what I've just heard, have some direction from the Town Council what the Town Council as a group, by vote, believes I should do next? Because I do not fully understand what that is.

SMITH: Mr. Randolph, would you--were you getting to your feet to say something?

RANDOLPH: Well I was, but maybe I shouldn't be.

SMITH: Well, but, please, step to the podium, please.

RANDOLPH: It seems to me that the purpose for this hearing was to do what we've just done, and that perhaps that's a matter that can be addressed by this Council with Mr. Doney at a later time.

McLENDON: I would think so. I mean, I think there are suggestions to be made, but I think that that's not for tonight.

DONEY: Would the appropriate time, if I might ask, be at the May 14th Council Meeting, or please advise me what the appropriate time is so that I might now go through and uh, then proceed with what I need to do as Town Manager in terms of trying to manage this issue from this point forward in a proper, professional manner.

SMITH: All right--

McLENDON: I would like to suggest it not wait until the regular meeting, but that you set a meeting between now and then.

SMITH: No, Mr. McLendon. No. No.

McLENDON: Okay.

SMITH: Mr. Mayor?

ILYINSKY: No, I think, Bob, I've known you for a long time. I think you can reach for greatness, and I think this is your chance to do just that. I think this is a tough decision for you, but on the other hand, as I said over and over again in my little address, I think you've behaved like a perfect gentleman, you've behaved like just exactly the kind of manager I want. I think that the best thing that you guys can do now, and I know it won't happen, is to have a martini and sit down and talk about it. And I, quite frankly, don't want to see you, Mr. Curtin--I don't want to see any of you again, for at least three months. Goodbye, sir, and good night.

SMITH: Wait. Wait. Wait. I think the uh, Town Manager has asked the Council what will happen. I think in the course of these very grueling two and a half days and two months a lot of questions have been raised, a lot of procedures need to be changed, and there are many, many things that have to be addressed here. Um, this is something that the Town administration, with all of the things you said about them, Mr. Curtin, I'm wondering if they're going to be able to function. No, this isn't funny. You have said there were three detectives sitting in the back there intimidating everyone. I didn't know there were three detectives. But, you can nod your heads at me, but I didn't know that, and I'm not sure that all the members of the Council did. But, obviously, there is no intimidation issue here now. So, but it has been raised. The employees in the Town have been divided. There are many arguments and many problems to be faced and addressed, and this is what the Town Manager has to do. And I hope that you will all support the staff. This is the Town of Palm Beach. We all stand for the same thing. Mr. Curtin went on the record--he loves this Town. Everyone sitting here apparently loves this Town, so let's pull together now, because it's not going to work for the Town of Palm Beach if this divisive feeling continues and permeates the workplace on a daily basis. So, with whatever thoughts you have, and the direction that can be given to Mr. Doney must be given to him. I am sure the Council is going to support him in his actions and in his future actions. The Finance Department apparently is in a certain amount of disarray, and there's very bad feeling there, so if you are reinstated, Mrs. Crozier, which was the decision of the Council, this burden rests with you, and we are heading into the Budget Hearings, we have a big budget for the Town, and we need all the help we can get. So, I expect to see that happen, and I know the Council expects to see it happen. We will do what we can for Mr. Doney, who must continue running this Town on a day to day basis. The Department Heads answer to him, and you have to help him and do what he says, because this is it now, as we go into this very crucial period. And if the Council decides that there'll be further discussion, they will discuss it at the May 14th Council Meeting.

ILYINSKY: I would like to congratulate you, Madam President.

SMITH: Thank you very much. Now, if there's no further business, I would like to have a motion to adjourn.

McLENDON: So move.

SMITH: Thank you.

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