Charlie Pancerzewski replied (Sun, 26 Nov at 11:00 PM) to : pdc@pdc.wa.gov

The PAC was formed October 10, 2017 according to the PDC website. In its October 16 report (first report) a week later it reported more than \$20,000 in expenses, listing the vendors who did the work for the PAC and briefly the nature of what the vendor was invoicing the PAC for. One vendor, WINPOWER STRATEGIES was said to have invoiced the PAC \$3,186.49 and the PAC report to the PDC mentioned "Capitol City Press—Mailer 4129".

On 11/6/17 I examined an invoice from WINPOWER STRATEGIES for that amount and nowhere on that invoice was Capitol City Press mentioned. The invoice was attached to a loan agreement for a loan from Glen Pickus to the PAC to specifically to be used to pay the WINPOWER STRATEGIES invoice which did not have any reference to another entity such as Capitol City Press. The invoice listed 4129 mailers for \$2,477.40 and postage of \$709.09 for a total of \$3,186.49. The invoice did not show any sales tax which would have been paid to anyone printing the mailers.

Therefore, I believe WINPOWER STRATEGIES agreed to pay Capitol City Press for printing the mailers and perhaps the postage to mail them as the PAC did not have the funds to do that when the mailers were printed and mailed. The invoice from WINPOWER STRATEGIES was in effect a loan to the PAC for which it was to be repaid and listing it on the PAC report as an expense for mailers while mentioning Capitol City Press was an indication that WINPOWER was not invoicing the PAC for printing and mailing the mailers but simply loaning the money to the PAC until the PAC could pay WINPOWER.

The loan for that specific purpose was made 10/31/17 to the PAC by Glen Pickus, PAC manager/founder since the PAC did not have funds to pay WINPOWER.

Of the other vendors who invoiced the PAC in its first week of existence, on 11/6/17 we were told a large amount of those vendor invoices had been contributed to the PAC on that date, the day before the election. The PAC has not received any significant cash contributions subsequent to the election. It therefore seems obvious that most of the vendors intended to contribute their services to the PAC from the outset but that was not reflected in PAC reports filed with PDC. To start the PAC 10/10/17, spend almost all of the approximate \$24,000 in the first week which was then reported 10/16/17 and then to have most of this amount contributed to the PAC the day before the election does not meet rational analysis of the facts.

This was a Mukilteo Council position that the PAC was organized to stop a candidate from winning. The expenses reported by the PAC were all Seattle vendors who do not have businesses in Mukilteo. Vendors who do political campaign consulting, advertising and related work do not agree to do such work on very short notice before an election for a PAC that has very little cash contributions as they would know their work would likely not be paid for. Thus the vendors must have had other reasons to do this work with almost no prospect of being paid. Yet the PAC showed them as vendors and their work as PAC expense, only to have much of it cancelled the day before the election as contributions.

The reporting of the above demonstrates the PAC did not report properly its agreements and transactions in PDC reports in its short existence prior to the election.

Charlie Pancerzewski