

Dave Ambrose



Wednesday, Sept. 30, 2015

Honorable Jennifer A. Watson
State's Attorney of Macoupin County
P.O. Box 287
Carlinville, IL 62626

Dear Ms. Watson:

I am in receipt of your letter of Sept. 10, 2015, in which a demand is made for payment in full on an installment promissory note in the amount of \$6,110.35 by Oct. 15. The letter further indicates that if full payment is not received by that date, you have been directed to take legal action.

Please regard this letter as an offer to settle this debt for a flat \$3,000 with the full amount of the settlement to be paid on or before the end of October. It simply is not possible for me to make a substantial payment on this debt by Oct. 15 as we are still awaiting discharge of a bankruptcy proceeding in federal court. To satisfy the payback on the bankruptcy, I recently sold a parcel of farmland which will enable me to pay the full \$3,000 settlement offer. However, the closing date on that transaction is not until Oct. 24—some nine days after the County Board's demand date.

I believe the settlement offer is reasonable. The computers that were financed with this loan are now outdated and essentially worthless. If I were to surrender them to the county, the county would be required to pay applicable recycling fees to dispose of them. While the amount due is in excess of \$6,110.35, this settlement offer will preclude the expense of a trial and further legal action.

I believe a settlement is justified as neither party in this dispute is without blame. Frankly, while I don't know the proper legal term or Latin phrase, this loan has been the proverbial "cluster ****" from the beginning.

To refresh your memory, the loan was issued while Nora Feuquay was employed as the county's Director of Economic Development and the loan payments were current up until the time of her departure when the county board instituted a public/private partnership for the purpose of administering economic development programs. It was the practice of our office manager at South County News to call Ms. Feuquay on a monthly basis to determine what the payment for that month should be; this was to ensure that any late fees, etc. were being covered. After Ms. Feuquay was terminated, I went to the office of then County Clerk Michele Zippay and attempted to make a payment. One of her staffers said they had no record of the loan and had no idea what was owed. That assessment was later confirmed by Ms. Zippay, as I recall. I then went to the County Board Chairman who shrugged and said "I guess that means you don't have to pay it" and recommended waiting until the paperwork was found.

You also will recall that this loan became the subject of a three-part series published by the Macoupin County Enquirer-Democrat ostensibly to expose alleged mismanagement of the revolving loan fund but primarily to discredit and damage my reputation and that of the South County News. South County News was cited as the poster child for the mismanagement scenario because of the status of the loan, which originally amounted to about \$8,000 if I recall. At the time of the MCED series, another loan recipient was in arrears by more than \$30,000—more than three times what we owed the county.

It is my belief that at least some of the information published by the newspaper, though certainly within the realm of public information, was "fed" to the MCED by a county board member who was disgruntled because we had published details when a member of his family was arrested for drug possession. We believe the same board member also fed the newspaper erroneous information that a previous loan to us from the county was unpaid. That information was false, though the paper repeated it in each of the three articles despite being provided with a copy of a letter from Nora Feuquay to that effect. **The damaging reporting by MCED no doubt played a role in the subsequent failure and closing of South County News, thus depriving me of my livelihood, my business and the value of the business I had built over a period of 15 years.**

The amount of the loan and an accounting of the payments made up to the time of Ms. Feuquay's departure were not ascertained until someone finally removed files from her former office, located at the Macoupin County Transportation Office. The letter confirming full payment of the first loan was discovered at that time.

Following the MCED articles, the county board amended the loan contract to include a provision for submitting monthly invoices to the debtor. The county board, as you know, has been in violation of that contractual obligation for many months and remains in non-compliance to this day.

I would also point out that we produced without payment or compensation of any kind a series of ads for print media as well as a brochure when the county board unsuccessfully sought passage of a county sales tax increase. I was recruited for that work and was told at the time that the board could not legally pay me for the work because it would involve supporting a political position in the upcoming election. I suppose I was naive in accepting those terms without questioning where the money was coming from to pay for the advertising space used for the ads. Since I was never paid for their work, I don't think it would be unfair to reduce the amount of the debt by \$1,000, in which case a \$3,000 settlement would amount to more than 50 cents on the dollar.

I believe this offer is fair and it will put this episode behind us once and for all. Our bankruptcy presumably will be discharged at the end of October and I will have the financial freedom to move on to other things. As pointed out, a \$3,000 settlement amounts to about half of the alleged debt, but avoids the expense of a jury trial.

Please let me know if this agreement is acceptable. If so, could you please draft appropriate documents for our signatures. If the board is insistent on a court action, our first motion, obviously, will be for a dismissal of the complaint on the grounds the board violated the contract and continues to do so, as well as the other rationales outlined in this letter. The risk, of course, is that the county could collect nothing at all if the judge and jury agrees with our position.

Thanks so much for your time and consideration.



Dave Ambrose

