

of the retirement plan. Sergeant DeClercq also confirmed to Mr. Williams that there has not been nor was there at that time any open or ongoing investigation by MSP. In addition, we interviewed Mr. Williams on June 26, 2007, and he confirmed the content of his letter to Supervisor Martin. He also indicated that he confronted Mr. Dahlstrom regarding his claim of the ongoing nature of the MSP investigation and Mr. Dahlstrom refused to answer questions indicating "he can't talk about it".

We further note that Mr. Dahlstrom has not responded to our letter of June 19, 2007, in which we offer Mr. Dahlstrom an opportunity to provide any relevant information that he may have regarding our investigation and report. We further note that Mr. Dahlstrom's memorandum of April 10, 2007, is consistent with the statements of Detective Sergeant DeClercq. Specifically, he reflects that he called the MSP in February and met with them. He does not reflect any information provided to MSP and he indicates that they told him "I need an audit".

In consideration of the documented statements of Detective Sergeant DeClercq and Mr. Dahlstrom's own rendition of his conversations with MSP in his April 10, 2007, memorandum to the Board, there was not, at any time, an investigation by the MSP. Rather, it is clear that Detective Sergeant DeClercq simply indicated to Mr. Dahlstrom that he should request from the Township Board that an audit be conducted of the Section 401a Plan. Mr. Dahlstrom had no basis to make a published representation that there was "an open, ongoing investigation" by the Michigan State Police. Further, Mr. Dahlstrom has no factual basis to assert or imply wrongdoing by Supervisor Martin.

2. Allegations of "Irregularities, Embezzlement, and Insurance Fraud"
Re: to Section 401a Plan -

With regard to the pension plan of the Township, we understand the following with respect to the creation, implementation and administration of the Plan.

The Township adopted a Section 218 Social Security Plan and Agreement on September 5, 1975, which allowed for the payment of what would otherwise be social security contributions to a pension plan for public employees. The Plan and Agreement identified individuals or services to be eligible for the Plan to include "all services in any class or classes of elected positions". The Township thereafter adopted a Section 457 Plan, a 401k equivalent. Participation in that Plan was not uniform and concerns were raised at Board meetings regarding the serving of that plan by the Plan's administrator. The minutes of the meeting of the Board of