



State of Washington

PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908

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June 8, 2018

Delivered electronically to Cary Moon at "info@carrymoonformayor.com"

Subject: Cary Moon Complaint Return Cover Letter, PDC Case 27140

Ms. Moon:

Below is a copy of an electronic letter sent to the 2017 Jenny Durkan Campaign concerning the complaint the Campaign filed against you.

As noted below in the electronic letter to Durkan Campaign, the PDC will not be conducting a more formal investigation into these allegations or taking enforcement action in this matter.

If you have questions, please contact PDC staff member Kurt Young by e-mail at kurt.young@pdcc.wa.gov.

Sincerely,

/s _____
Kurt Young
Compliance Officer

Endorsed by,

/s _____
Barbara Sandahl
Deputy Director
For Peter Lavallee
Executive Director



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June 8, 2018

Delivered electronically to Phil Lloyd at “phil@seattlecfo.com”

Subject: Complaint filed against Cary Moon Campaign, PDC Case 27140

Mr. Lloyd:

The Public Disclosure Commission (PDC) has completed its review of the complaint you filed on November 1, 2017. Your complaint alleged that Cary Moon, a candidate for Mayor of the City of Seattle, may have violated: (1) RCW 42.17A.240 by failing to report pledges on the Summary Campaign Contributions and Expenditure report (C-4 report); (2) RCW 42.17A.420 by receiving a pledge in excess of \$5,000 during the 21 days prior to the election; and (3) RCW 42.17A.405 by exceeding contribution limits when Moxie Media, as an agent of the Campaign, advanced “funds to other vendors outside of normal business practices” to purchase Campaign goods and services.

PDC staff reviewed the allegations listed in your complaint, the statutes and rules, and the November 13, 2017 response from the Cary Moon for Mayor Campaign (Campaign). As a result we found the following:

- On April 24, 2017, Cary Moon filed a Candidate Registration (C-1 report) declaring her candidacy for Mayor of Seattle, selecting the Full Reporting option, and listing Jason Bennett as her Campaign Treasurer. Ms. Moon was a first-time candidate for public office in 2017.
- The Campaign stated that all fees, expenses, debts and obligations, including the debts and obligations outstanding owed to Moxie Media and other Campaign vendors, were timely and accurately disclosed on C-4 reports filed with the PDC and Seattle Ethics & Elections Commission (SEEC). The Campaign believe they were “in compliance with all state and municipal campaign finance rules and regulations,” and the reporting of contribution and expenditure activities, including outstanding debts and obligations.
- The \$169,116 in debts and outstanding obligations disclosed on the 7-Day Pre-General Election C-4 report as being owed to Moxie Media, was invoiced to the Campaign in mid-October of 2017. The Campaign disclosed the debts and obligations in accordance with the SEEC reporting guidelines, which allows the campaign 90 days to pay outstanding invoices in full.

- The Campaign acknowledged “there is no such time restraints in PDC regulations, the campaign consistently has complied with this more stringent municipal deadline during the election, and intends to comply within this timeframe with respect to any current outstanding obligations.”
- Staff reviewed the C-4 reports that were timely filed by the Campaign, and found outstanding debts and obligations were disclosed on every C-4 report filed, including the initial C-4 report which listed \$22,612 in outstanding debts, including \$16,672 owed to Moxie Media. The April 2017 C-4 report disclosed \$31,973 in outstanding debts, including \$16,672 owed to Moxie Media; the May 2017 C-4 report (\$32,789 in debts, \$16,672 owed to Moxie Media); the 21-Day Pre-Primary C-4 report (\$50,847 in debts, \$21,633 owed to Moxie Media); the 7-Day Pre-Primary C-4 report (\$60,642 in debts, \$39,736 owed to Moxie Media); the Post- Primary C-4 report (\$58,592 in debts, \$45,562 owed to Moxie Media); and the 21-Day Pre-General C-4 report (\$46,318 in debts, \$21,633 owed to Moxie Media).
- The Campaign stated in the November 13, 2017 response letter, that Campaign did not receive a pledge from Ms. Moon or a loan from Moxie Media that exceeded the contribution limits 21 days prior to the November 7, 2017 general election. The Campaign stated there were several other 2017 City of Seattle candidates that disclosed outstanding debts and obligations during the 2017 election cycle.
- The Campaign “is evaluating potential post-election efforts to raise funds for retirement of its outstanding debt.” Ms. Moon will continue to focus on fundraising “to meet the campaign’s expenses and obligations apart from personal funding by the candidate. To date there has been no pledge or loan from Ms. Cary Moon or Moxie Media to assume or erase current or future debt on behalf of Cary Moon for Mayor.” On December 8, 2017, Ms. Moon made a \$207,362 contribution to her Campaign using personal funds to assist in paying the remaining debts and obligations.

The Campaign timely disclosed outstanding debts and obligations on all of the C-4 reports filed prior to the 2017 general election, although the 7-Day Pre-General C-4 report contained significantly higher debt. The Seattle Mayoral race along with the special Senate election in the 45th Legislative District, were the two highest profile races in the state in 2017.

In addition, since candidates in the City of Seattle have one contribution limit, the Seattle Ethics and Elections Commission's election cycle for their candidates to solicit and accept contributions runs through May 31, 2018, so the Campaign could have solicited contributions for another five months past December 31, 2017.

Based on these findings, staff has determined that in this instance, there is no evidence that the Cary Moon Campaign pledged contributions to her Campaign prior to the election, or received a loan more than contribution limits from Moxie Media, to support a finding of a material violation warranting further investigation.

The PDC has closed the matter, and will not be conducting a more formal investigation into your complaint or pursuing further enforcement action in this case.

If you have questions, you may contact Kurt Young by e-mail at kurt.young@pdc.wa.gov.

Sincerely,

Endorsed by,

/s _____
Kurt Young, Compliance Officer

/s _____
Barbara Sandahl, Deputy Director
For Peter Lavalley, Executive Director

cc: Cary Moon

