

SHERIFFS IN THE SPOTLIGHT

★ Doing business with the boss in Pasco

By JACK REED and LUCY MORGAN
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When Pasco County Sheriff John M. Short wants to buy or sell a piece of property or find a business partner, he often turns to his employees.

While building his personal wealth, the sheriff has done business with at least eight subordinates and surrounded himself with fellow entrepreneurs.

The sheriff says it's all proper — sheriff's business comes first.

But a closer look at the mixture of public business and private enterprise shows that:

- ✓ In becoming a land speculator, mortgage lender, landlord and corporate officer with the help of his employees, Short may have violated the



Inside the Pasco County Sheriff's Department:

A SPECIAL REPORT

state Code of Ethics for public officials.

- ✓ One of his most profitable transactions was with a deputy who was allowed to help finance and set up a secret investigation (see story, 9-B).

- ✓ A jail director who was criticized by a superior for letting outside business

interests harm his job performance apparently escaped punishment. One of his outside interests was a delicatessen in a building owned by the sheriff (see illustration, 8-B).

- ✓ The sheriff hired a former funeral director to be his department's

special projects coordinator. One of their projects, which they discuss during work hours, is a funeral home (see story, 1-B).

Short says that he has been able to separate his official duties and his private transactions with his employees. "As long as I never interferes with the office that I run, there is no problem with that," he says.

Short also says that "many sheriffs" and other elected officials do business with subordinates because they are "people they know and trust."

Yet Florida law prohibits a public official from having a work relationship that "will create a continuing or frequently recurring conflict between his

Please see BOSS, 8-B



Pasco Sheriff John M. Short, left, and Roger Michels have business connections outside the department.

Boss from 1-B

private interests and the performance of his public duties."

In interpreting that law in 1982, the State Ethics Commission said that "an ongoing business relationship with a subordinate" can cause conflicts for a public official, since it could impede the official's "duty of impartially evaluating the subordinate's job performance."

\$1.15 an hour

Since he took office on Jan. 4, 1977, the 38-year-old Short has seen a remarkable growth in his personal wealth. When he began his law enforcement career 20 years ago, he had little more than a high school diploma. His first job, as dispatcher for the New Port Richey police department, paid \$1.15 an hour.

By 1972, Short had risen through the ranks to become acting police chief at \$4.28 an hour. Four years later he was elected sheriff, a post that will pay him \$44,000 this year.

During his first year as sheriff, Short earned barely enough to make ends meet, according to a financial statement he filed in a 1977 divorce.

With everyday living expenses subtracted from his sheriff's pay, he had only \$10.74 a week left over. Short said in his financial statement. Yet a judge ordered him to pay alimony and child support payments of \$650 a month through 1979.

Despite his heavy financial obligations from 1977 to 1979, Short's business activities boomed. In 1979, he listed property valued at \$255,000, including 12 rental units with an income of \$8,969 that year.

Last year, Short listed a net worth of \$290,185. Short attributes his success to a good business mind and

Being sheriff with a staff of 360 has helped, too. Short has hired some employees whose finances or business skills outside the office have been helpful to him.

At other times they have caused problems.

The sheriff's men

Among the sheriff's department employees who have done business with the boss are:

- ✓ **Mark Deeb, a part-time deputy.** He is building a funeral home in which Short holds a one-third interest. Deeb, 29, also built a duplex at cost for Short in 1981.

Deeb, the owner of a construction company, has been a deputy since 1980. His hours are flexible, he said, and when he works he makes "six (dollars) something an hour." He doesn't fill out a time card, he said, but reports his time to a secretary by phone.

In 1981, Deeb built a duplex for Short in Port Richey. It was "an experiment" with a new blueprint, he said. "I charged him what it cost me to build it."

Deeb said he is being paid more than \$225,000 and making a profit (which he declines to reveal) on the funeral home he is building. When Short and his partners were looking for a contractor, "apparently my name was brought up because I did do work (before) for John Short," he said.

Deeb said he sees no conflict in his relationship with Short, who is also a friend. "There are no favors with John Short," he said. "If you do something for him, you do it because you want to."

- ✓ **Maj. Lee O. Henley.** In 1981 he bought a four-acre lot adjacent to his home in Hudson from Short for

He said he tried to buy the lot from the previous owner but the \$36,000 price tag was too steep. "The sheriff was kind-hearted in letting me buy it," Henley said.

Henley administers the sheriff's office finances but says he has not let his personal transaction with Short interfere with his job. "Nothing influences my professional decisions," he said.

- ✓ **Maj. Gil Thivener.** He joined Short in buying 16 acres in Hernando County for \$20,000. They later sold half the property for \$17,500, with Short and Thivener each holding half of a \$15,750 mortgage.

A month after their first transaction, Short and Thivener bought two triplexes for a total of \$70,000. Short said he would have bought the rental units alone but he had to come up with \$14,000 as a down payment. "I didn't have the money," he said. "Gil Thivener agreed to go in that with me and we put in \$7,000 each." Seven months later, they sold the triplexes for a total of \$100,000.

Thivener, who is in charge of the sheriff's detectives and uniformed personnel, declined to comment.

- ✓ **Deputy Joe Moore.** He bought a duplex from Short in February 1983, and a month later Moore's mother-in-law purchased a house and three rental apartments from the sheriff.

Shirley R. Demarest, the mother-in-law, and her husband Gerald paid \$100,000 for the property, which Short had bought for \$79,000 in 1978. It is a coincidence that he sold to an employee's in-laws, Short said. "I assume they saw an ad (for the property)," he said. "They never did say, 'Joe sent me.'"

Doing business with the boss



Pasco County sheriff's official Kenneth Modzelewski (left) has a lot of private business interests outside of the department. For about three years, he and another sheriff's employee owned a delicatessen in a building they rented from Sheriff John M. Short (right).

In a report to the sheriff on Sept. 1, 1981, Maj. Gil Thivener sharply criticized Modzelewski — then director of the sheriff's corrections bureau — for "bad decisions" and "extremely poor judgment." He also said that Modzelewski's "outside obligations" left "very little time" for his duties at the jail.

Just seven weeks later, however, Sheriff Short authorized a pay raise for Modzelewski. Modzelewski now says that the sheriff has never mentioned the critical memorandum to him.



later became director of the jail, and Donald Montague, a patrol deputy.

They paid Short about \$400 a month, Modzelewski said. Modzelewski, 31, also bought and sold real estate, rented apartments and taught classes at Pasco-Hernando Community College. And Montague has worked as a house painter and operated video game rooms.

Both men's off-duty businesses have been the subjects of departmental investigations.

In an interview last week, Modzelewski denied that he had a direct business relationship with Short. He said he and Montague each owned half of the deli, but that their wives operated it.

"My wife and Montague's wife entered into a lease agreement (with Short) and rented physical space for a business I financed," he said.

Montague could not be reached for comment.

Short was good to his tenants. During his 1980 reelection campaign, he spent \$182 at River's Edge Deli to feed campaign workers and \$300 for a victory party after the Democratic primary election.

The business relationship between Short and Modzelewski continued even after Modzelewski became the subject of an internal investigation in the summer of 1981. A Sept. 1, 1981 report by Maj. Thivener criticized Modzelewski's job performance in running the jail and said Modzelewski tried to sell a house and car to an inmate.

Thivener concluded that Modzelewski used "poor judgment." Because of Modzelewski's outside business interests, it "would appear that very little time would be left for the 24-hour operation of corrections."

Sheriff's spokeswoman Cindy Kuhn said last week that Short put jail operations under Thivener's control because of the incident.

But Modzelewski received no reprimand from the sheriff. In fact, he said the sheriff has never mentioned it. Less than two months after the critical report, Short gave Modzelewski a raise of \$55 biweekly.

Since then, Modzelewski has sold the deli but has otherwise added to his outside interests. They now include a real estate agency with four salespeople, a home building firm and a page-long list of rental houses and apartments.

None of Modzelewski's outside interests seems to have hurt his career. In 1982, he was promoted to a new position, assistant to the major of services, where he makes \$21,500 a year.

His supervisor, Maj. Henley, said he has no complaints with Modzelewski's business activities because they have not interfered with his job performance.

An elderly widow

Deputy Montague, the other owner of the deli, was twice investigated by the department when his video game room dealings caused problems. He was also sued by another departmental employee who hired him to paint his house.

In November 1982, an internal affairs investigation determined that Montague entered into an improper financial relationship with an elderly widow after being dispatched to her house when she threatened to commit suicide.

The investigators said Montague accepted jewelry and borrowed \$450 from the woman and then refused to repay it.

After bank officials handling the woman's trust account talked with Sheriff Short, Montague told departmental investigators that he had earned the money doing repairs at her home.

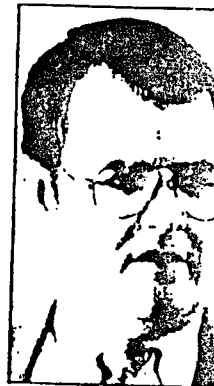
Montague later conceded that he borrowed the money and agreed to repay it, the investigators said. He finally repaid the debt after the bank threatened to file suit.

"He (Montague) helped me through a very difficult time," the woman said in an interview last summer. But "he's a son of a b--- who ought to be off the police force."

Montague's personnel file reflects no action taken against him for the offense. Short declined to discuss the matter Friday.



LEE O. HENLEY



GIL THIVENER

SHERIFF'S OFFICE
PASCO COUNTY
INTER OFFICE MEMORANDUM

SHERIFF JOHN M. SHORT

DATE: 9-1-81

FILE:

SUBJECT: JAIL INVESTIGATION

FROM: MAJOR G. THIVENER

REFERENCE: Allegations against Director Ken Modzelewski

On Friday, August 21, 1981, you instructed me to look into the management and alleged trustee problems that were occurring in the Corrections Bureau, and as a result of interviewing witnesses with Detective W. Thomas, the following allegations have been made by present and former female trustees. I have tried to concentrate on those allegations of significance, and in doing so, separate them from the hodge-podge of jailhouse gossip.

... that D ... dealing in real estate ...

... the inmates ... impression that ... This was covered in a previous report submitted by Detective W. Thomas.

During the course of this investigation, it has been determined that good rules and management were not followed: the trustees were allowed the run of the jail, so to speak; each shift ... those which were established ... enforced. It has become obvious during this investigation that the entire investigation was precipitated as a result of bad decisions made by both Warden J. Donahue and Director K. Modzelewski, along with extremely poor judgement and the apparent lack of interest after 5:00 PM. It should be noted that Director K. Modzelewski holds a valid real estate license, is the owner of apartments and single family homes, manages a delicatessen, and teaches classes at PHCC. As a result of these outside obligations, it would appear that very little time would be left for the 24 hour operation of Corrections.

GT/mas

PASCO COUNTY SHERIFF'S DEPARTMENT EMPLOYEE ACTION FORM

Please enter the following action, effective
October 23, 1981

NAME: Kenneth Modzelewski

— New Employee — Termination
— Change of Status — Resignation
— Retirement

FROM:

Bureau Corrections Pay Rate \$273.58 Bi-weekly
Job Title Director Corrections

TO:

Bureau Corrections Pay Rate \$298.70 Bi-weekly
Job Title Director Corrections

If Change of Status, check appropriate reason

— Promotion — Longevity Increase
— Demotion — Leave of Absence without pay
— Transfer — Leave of Absence w/pay
EX Merit Increase

EXPLANATION: C.O.I.

AUTHORIZED BY: John M. Short DATE:

Copies: (1) Personnel (2) Payroll (3) Bureau

PCSD 1-0006
3/28/78

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