



THE CITY OF SAN DIEGO
PRESS RELEASE

Ethics Commission

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CONTACT:
Stacey Fulhorst
San Diego Ethics Commission
(619) 533-3476

**ETHICS COMMISSION ANNOUNCES SETTLEMENT WITH FORMER
CITY CANDIDATE LORENA GONZALEZ AND HER CAMPAIGN
TREASURER FOR FAILURE TO REPORT EXPENDITURES**

Stacey Fulhorst, Executive Director of the City of San Diego Ethics Commission, announced today the Commission's approval of a stipulated settlement agreement with Lorena Gonzalez, a former candidate for City Council District 2 in the 2005-2006 special election, and her campaign treasurer, Xavier Martinez. The settlement involves the payment of a \$500 fine in connection with the committee's failure to disclose expenditures made to four vendors totaling 4,377.87. Ms. Fulhorst explained that the Commission's audit and subsequent investigation revealed that Ms. Gonzalez reasonably relied on Mr. Martinez as a professional campaign treasurer to properly report all of her campaign committee's expenditures. She added that Mr. Martinez has accepted responsibility for the mistakes and has agreed to pay the \$500 fine.

According to the Commission Chair, Richard Valdez, the Commission felt that the amount of the fine was appropriate in light of the underlying circumstances. In particular, he noted that "the Committee disclosed the majority of its expenditures prior to the election; however, the dollar amount of payments that were not timely disclosed necessitated an administrative fine." Commissioner Valdez also noted that additional reporting and accounting errors discovered during the course of the audit were factors in aggravation considered by the Commission.

Ethics Commission fines are paid to the City of San Diego's General Fund. The stipulated settlements approved by the Commission resolve all factual and legal issues without the necessity of holding an administrative hearing.

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