



U.S. Department of Justice

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NEWS RELEASE
FORMER MORGAN COUNTY COUNCIL
ADMINISTRATOR CHARGED WITH
FRAUD, MONEY LAUNDERING, THEFT

PROSECUTORS ALSO SEEKING
\$465,537 MONEY JUDGMENT

SALT LAKE CITY – A six-count Felony Information filed in U.S. District Court in Salt Lake City Tuesday charges Garth B. Day, 41, of Elwood, former Morgan County Council Administrator, with money laundering; false loan and credit applications; theft from a program receiving federal funds; and wire, mail, and bank fraud.

Day was the council administrator from June 2008 to Aug. 4, 2010. As a part of his duties, he was responsible for managing, controlling, and reconciling Morgan County's finances.

The loss amount from the alleged fraudulent activity, which occurred in 2009 and 2010, is \$465,537. The case is being investigated by the FBI, the Morgan County Sheriff's Office, the Morgan County Attorney's Office,

and the U.S. Attorney's Office. An initial appearance on the charges will be scheduled within the next few days.

Count one of the Felony Information charges Day with theft from a program receiving federal funds. According to the Information, Day converted to his personal use federal funds Morgan County received from the U.S. Department of Transportation. The potential penalty for this count is up to 10 years and a \$250,000 fine.

Count two charges Day with making a materially false statement and report to influence the actions of Centennial Bank. According to the charges, Day falsely represented to the bank that he had the county's authority to apply for a \$250,000 line of credit for the county when in fact he did not. This count carries a potential penalty of up to 30 years in prison and a \$1 million fine.

Count three, a violation of wire fraud, alleges Day used an interstate wire transmission to move \$92,000 from an account purportedly owned by the Morgan County Redevelopment Agency to his personal account to pay off personal debt.

Count four of the Felony Information alleges Day committed mail fraud when he mailed a letter to First National Bank of Morgan, purporting to be authorized by Morgan County, requesting the disbursement of funds to him.

Count five, bank fraud, alleges the defendant, without authority, took funds from a Morgan County account at First National Bank of Morgan and opened a bank account in the county's name at another bank. The bank account, while in the county's name, was used for personal expenses.

Wire, mail, and bank fraud carry maximum penalties of 30 years in prison and \$1 million in fines per count.

The final count of the Felony Information alleges Day laundered money derived from unlawful activity when he transferred \$92,000 from the Centennial Bank line of credit to pay off his credit card debt at another bank. The potential maximum penalty for money laundering is 10 years and a fine of \$250,000.

A Felony Information is not a finding of guilt. An individual charged in a Felony Information is presumed innocent unless or until proven guilty in court.

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