

GROOM CREEK FIRE DISTRICT

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May 29, 2025

Dear Groom Creek Community Members:

As Fire Chief of the Groom Creek Fire District, and with the unanimous support of the board, I would like to inform you of an investigation which is currently taking place with the cooperation of our GCFD Board, the Yavapai County Sheriff's Office, and our financial institution, OneAZ Credit Union.

An unknown third-party recently stole \$48,000 in grant funds from the Groom Creek Fire District through a fraudulent online scheme. Once this discovery was made, our GCFD Board, the Yavapai County Sheriff's Office, and our financial institution, OneAZ Credit Union were immediately contacted and all necessary reports were filed with the respective agencies.

As these were grant funds, the Fire District has not suffered any immediate financial loss. However, this theft may have a future negative financial impact on the Fire District's contingency funds. In all other respects, the Fire District's capital expense plans, including the purchase of a new engine, have not been impacted. Once the ongoing investigation is complete, we will have a better understanding of the situation. At that time, we will update the community. Until then, the service our Fire District provides will remain at the highest level.

We have taken a number of actions to ensure that no further losses have been incurred and that this does not happen again in the future:

- Our station computer security has been upgraded and made more robust.
- Our agency email account server has had its account access and permission parameters updated.
- All access passwords to the system and email accounts have been changed.
- The primary administration computer and hard drive have been replaced with all new components in order to eliminate any potentially corrupted or compromised components from granting unauthorized users from gaining agency system access.
- Our agency has adopted new sign-out compliance requirements for all agency system users.
- All agency personnel have been assigned "Computer Security" training units through our agency's online training platform to be completed by May 30, 2025.

This is all the information we have available at this time. As stated earlier, this is an ongoing investigation by the GCFD Board, our bank, and Yavapai County Sheriff's Office. We will keep you updated as the investigation develops. If needed, a public meeting will be held to answer your questions or to discuss the situation.

I would like to thank our GCFD board and our fire district legal representative Robert Miller for their time and assistance in addressing this issue. I would also like to express my appreciation to NFP insurance, OneAZ Credit Union, and the Yavapai County Sheriff's Office for the assistance and support that we received while navigating this unfortunate event.

Sincerely,

Ernesto Manzanedo Fire Chief, Groom Creek Fire District