

Movie of the Month  
**Ticket Giveaway!**

enter to win movie passes  
click here!  
**10,000 BC**

**The Detroit News**  
**BATTLE OF THE BANDS**

[Subscribe Now](#) | [Pay Bill](#) | [Place an Ad](#) | [Contact Customer Service](#) | [Contact The Detroit News](#)

[RSS](#) | [Email Newsletters](#) | [PDA](#)

 

Archive: [Tue](#) | [Wed](#) | [Thu](#) | [Fri](#) | [Sat](#) | [Sun](#) | [Mon](#) | [Today](#)

[Home](#) [News](#) **Local** [Sports](#) [Autos](#) [Business](#) [Entertainment](#) [Lifestyle](#) [Opinion](#) [Classifieds](#) [Jobs](#) [Cars](#) [Real Estate](#) [For Rent](#) [Shopping](#)

**Local** [Metro/State](#) [Macomb](#) [Oakland](#) [Wayne](#) [Livingston](#) [Schools](#) [Commuting](#) [Michigan History](#) [Obituaries](#)

## Metro and State

[Metro and State RSS Feed](#)

[Email Headlines](#)

[Text Alerts](#)

[On Your PDA](#)



**Article Tools:** [Print](#) [Email](#) [Comment](#) Text Size: [A](#) [A](#) [A](#) [Save](#) [Share](#)

Thursday, February 28, 2008

# Newly released papers show mayor tried to hide messages

Paul Egan / The Detroit News

**DETROIT** -- Settlement records ordered released Wednesday by the Michigan Supreme Court tell a story of deception by Detroit's mayor and city attorneys, experts said.

"We are dealing with a major cover-up, followed by an attempt to stonewall the fraud that was imposed upon the city of Detroit," said Lawrence Dubin, a law professor at University of Detroit Mercy School of Law.

The deception includes lies apparently told by Detroit Mayor Kwame Kilpatrick to a jury at a police whistle-blower trial, a secret deal to hide text messages that pointed to Kilpatrick's possible perjury, settlement details deliberately withheld from City Council when it approved \$8.4 million in settlement payments to three former police officers, and misdirection given to a newspaper seeking copies of lawsuit settlement records.

Advertisement

Brendan Dunleavy, a former Wayne County auditor general who now works as a financial planner, also said the documents show clear evidence of deception.

Most disturbing is the conduct of city attorneys who did not tell City Council members all the important details of the settlement they approved, Dunleavy said.

"They were in the position of watching out for the taxpayers -- that was their job, not to look out for the mayor," Dunleavy said of city attorneys.

The story begins in 2002, when Kilpatrick took office at age 31 as Detroit's youngest-ever mayor. According to evidence in court cases, Kilpatrick gave longtime buddies prominent roles as his police bodyguards. He made a close friend from his Cass Tech high school days, Christine Beatty, his chief of staff.

Even many who say Kilpatrick has grown into the job admit parties and nightclubbing during out-of-town trips were prominent aspects of the mayor's first term.

Former police bodyguards Harold Nelthrope and Walt Harris testified in 2007 they escorted Kilpatrick to extramarital liaisons. Courts also have heard allegations that bodyguards close to Kilpatrick padded their overtime and cracked up a city vehicle during an after-hour spree.

Kilpatrick in 2002 was involved in an affair with Beatty, who was also married, according to pager text messages between them published last month in the Detroit Free Press.

Deputy Police Chief Gary Brown, who ran internal affairs, was investigating the conduct of Kilpatrick's police bodyguards when he got into trouble with



Bill Goodman, attorney for the Detroit City Council, reads his copy of the documents. The Michigan Supreme Court denied Detroit Mayor Kwame Kilpatrick's appeal to keep documents sealed that detailed a secret deal and possible perjury in the whistle-blower's trial. (Clarence Tabb, Jr. / The Detroit News)



### Related Articles

#### More reports

- [City Councilman Kenyatta introduces resolution seeking Kilpatrick's resignation](#)
- [Kilpatrick loses court fight](#)
- [Kilpatrick says he won't resign](#)

#### More on this topic

- [Editorial: Detroit council should take mayor to the woodshed](#)
- [Kilpatrick mocks rule of law, trust of voters](#)
- [Council votes on mayor today](#)
- [Ex-reporter takes reins as press aide](#)
- [Mayor's future 'up to the people,' mom says](#)
- [Beatty got biggest grant, even before mortgage program OK'd](#)
- [Cop suspected DPD role in killing of exotic dancer Tamara Greene](#)

Beatty and quickly lost his job, court records show.

Nelthrope, who had worked in the mayor's executive protection unit, was publicly identified by the mayor as the source of complaints about certain bodyguards and a rumored party with strippers at the mayor's Manoogian Mansion.

Afraid for himself and his family, Nelthrope said he was unable to return to work and his career was ruined. Another former police bodyguard, Harris, has testified he quit his job and fled the state, fearing retaliation, after he spoke out about misconduct by the mayor and his bodyguards.

#### Text messages subpoenaed

Those officers all sued and were represented by lawyer Michael Stefani, a former FBI agent and suburban police chief.

Stefani in 2004 subpoenaed text messages Kilpatrick and Beatty exchanged on their city-issued SkyTel pagers in 2002 and 2003, when the officers got into trouble.

The city fought the subpoenas and Wayne Circuit Judge Michael Callahan ruled he would look at the messages privately before any could be introduced in the case, which involved Brown and Nelthrope.

The Brown-Nelthrope case didn't get to trial until 2007. Kilpatrick and Beatty testified they never had an affair and Brown was not fired.

When Stefani asked Callahan if he could cross-examine the mayor and Beatty using the text messages, the judge couldn't find them.

Stefani said in a deposition released Wednesday he believes SkyTel never sent the judge the messages because a city representative told the company city lawyers would quash the subpoena. Stefani subpoenaed the records again but did not receive them until after jurors awarded his clients \$6.5 million, plus interest.

By then, Kilpatrick had vowed the city would appeal, meaning it could be years before the officers got paid. Stefani and city attorneys were going into court-ordered facilitation over Stefani's legal fees.

Lawyers typically get paid by taking a cut -- sometimes 30 percent -- of the jury's verdict. The Brown-Nelthrope case was no exception.

But Michigan's whistle-blower law allows lawyers to seek additional fees. Stefani was pressing the city to drop its appeal and settle the entire case in return for him slashing his legal fee demands from the \$1 million range to \$500,000.

#### Mayor decides not to appeal

According to Stefani, city officials said no. But that changed after Stefani showed Samuel McCargo, a lawyer for the mayor, a copy of a motion Stefani said he was about to file in court. The motion demanded \$1 million in legal fees on the grounds that lies by Kilpatrick and Beatty forced Stefani to do extra work.

The motion -- a public record -- would extensively quote from the potentially incriminating text messages.

"We had proof that they had committed perjury," Stefani said in a phone interview from Florida. "We spent literally hundreds of hours that were unnecessary if the mayor had told the truth."

An "ashen-faced" McCargo met in a parking lot with Stefani, saying "I had no idea about these," according to Stefani's deposition. McCargo, who has not returned phone calls to The News, spoke to Kilpatrick by telephone and city Corporation Counsel John Johnson was sent in, the records show.

Shortly afterward, the sides agreed on a "global" settlement that called for \$8 million for Brown and Nelthrope and \$400,000 for Harris and the transfer of the text messages to the mayor.

Lawyers have said the settlement was unusually large because it roughly equaled the jury award plus interest. Normally, when a party waives an appeal right, it gets a sharp reduction in what it must pay.

#### Side deal kept from council

On Oct. 17, Stefani and lawyers for the mayor and the city signed a settlement agreement that linked City Council's approval of the \$8.4 million payments to promises by Stefani and the officers to turn the text messages over to the mayor and forever keep quiet or give up their awards.

That agreement, released on the order of the Michigan Supreme Court on Wednesday, made no mention of the city returning health records to Brown and Nelthrope.

That feature would only appear in a later confidential agreement dated Nov. 1, which city lawyers have pointed to as a normal agreement providing for reciprocal return of personal records at the end of litigation.

When the Detroit City Council approved the settlements on Dec. 5, city attorneys didn't say a word about the side agreement to keep the text messages under wraps.

RELATED STORIES

Paul W. Smith: Is Mayor Kilpatrick's defense convincing?

Howes: Business waits out scandal

Editorial: Detroit council should investigate law agency

Ex-police official believes Greene killed by Detroit cop, court record shows

Beatty in court in lawsuit over benefit cuts for city retirees

Protester calls for Detroit mayor to resign

Detroit loses major convention

Mayor's fate may fall to governor

Metro-Detroit-mayor

On Oct. 19, the Detroit Free Press submitted a Freedom of Information Act request for all records related to the lawsuit settlement. On Oct. 27, at about the time the city was required by law to release the Oct. 17 settlement, Kilpatrick signed a document rejecting the agreement.

That allowed city attorneys to tell the Free Press there was no agreement they could produce because no settlement had been reached.

The Oct. 17 settlement was later broken into two agreements. One, dealing with the monetary settlement, went to City Council and the newspapers. The other, purporting to be a private agreement that was not signed by city attorneys, remained secret until the city recently released it following court action by the Free Press and The Detroit News.

Staff Writer Mike Wilkinson contributed to this report. You can reach Paul Egan at (313) 222-2069 or [pegan@detnews.com](mailto:pegan@detnews.com).

Article Tools: [Print](#) [Email](#) [Comment](#)

**In the Blogs...**

**Daniel Howes' Blog**



**Daniel Howes:** To hear the Dems who would be president tell it, Texas and Ohio are both economic basket cases ravaged by de-industrialization and the horrors of the North American Free ... [Continued](#)

**Raging Bullard**

**George Bullard:** School enrollment is down in one of Michigan's go-go areas, another signal of a long-term downturn. And Michigan educators will have to improve without much hope for ... [Continued](#)



**Going Home**



**Michael Happy:** When I approached Mt. Olivet Cemetery late last summer, attempting to solicit its participation in our work at Fletcher Field, little did I know just how much help ... [Continued](#)

[More blogs](#)

**MORE IN: METRO AND STATE**

City Councilman Kenyatta introduces resolution seeking Kilpatrick's resignation - 02/28/2008



Kerner Commission: Not enough progress made on poverty - 02/28/2008

Ex-reporter's life a troubled dream - 02/28/2008

Snowstorm may hit morning rush hour - 02/28/2008

Nervous flier? Try not to look it - 02/28/2008

Kilpatrick loses court fight - 02/28/2008

Sterling Heights police end standoff with barricaded gunman - 02/28/2008

Council to hold special session Friday on whistleblower case - 02/28/2008

Police reopen I-696 at Gratiot in Roseville - 02/28/2008

Road jobs moved to this year - 02/28/2008

Kilpatrick says he won't resign - 02/28/2008

Foster mom gets 20-35 years for murder of 2-year-old - 02/28/2008

**Site Index**

**Essentials:**

- [Home](#)
- [Page One PDF](#)
- [Sports PDF](#)
- [Weather](#)
- [Horoscope](#)
- [Lottery](#)
- [Crossword](#)
- [Sudoku](#)
- [Contact Us](#)
- Multimedia:**
- [Photos/Video](#)
- [News Photos](#)
- [Autos Photos](#)
- [Audio Galleries](#)
- [Video](#)
- [Photo Store](#)

**News:**

- [Nation/World](#)
- [Politics/Govt.](#)
- [Elections](#)
- [Religion](#)
- Local/State:**
- [Metro/State](#)
- [Wayne](#)
- [Oakland](#)
- [Macomb](#)
- [Livingston](#)
- [Commuting](#)
- [Schools](#)
- [Michigan History](#)
- [Obituaries](#)
- [Death Notices](#)

**Autos:**

- [Autos Insider](#)
- [Drive](#)
- [Joyrides](#)
- [Auto Shows](#)
- [Auto Reviews](#)
- [Auto Photos](#)
- [Autos Talk](#)
- [Test Drive blog](#)
- Business:**
- [Business News](#)
- [Personal](#)
- [Finance](#)
- [Stocks](#)
- [Technology](#)

**Sports:**

- [Sports](#)
- [Lions/NFL](#)
- [Pistons/NBA](#)
- [Red Wings/NHL](#)
- [Shock/WNBA](#)
- [MSU](#)
- [U-M](#)
- [More Colleges](#)
- [High Schools](#)
- [Golf](#)
- [Motor Sports](#)
- [More Sports](#)
- [Ski Guide](#)
- [Scoreboards](#)

**Entertainment:**

- [Entertainment](#)
- [Music](#)
- [Calendar](#)
- [Movies](#)
- [Movie Finder](#)
- [TV Listings](#)
- [TV/Radio](#)
- [Restaurants](#)
- [Wine Report](#)
- [Celebs](#)
- [Performing Arts](#)
- [Casinos](#)
- [Puzzles/Games](#)

**Forums:**

- [Forums Index](#)
- [Lions Talk](#)
- [Wings Talk](#)
- [Pistons Talk](#)
- [Tigers Talk](#)
- [Ask Mike](#)
- [O'Hara](#)
- [Big Ten Talk](#)
- [News Talk](#)
- [Autos Talk](#)
- [Faith Talk](#)
- Opinions:**
- [Editorials](#)
- [Letter to Editor](#)
- [Blogs](#)
- [Columnists](#)
- [Cybersurveys](#)

**Lifestyle:**

- [Lifestyle](#)
- [Homestyle](#)
- [Food](#)
- [Recipe Finder](#)
- [Health/Fitness](#)
- [Fashion/Shopping](#)
- [Families/Parenting](#)
- [Travel/Recreation](#)
- [MichMoms](#)
- [MichDads](#)
- Other**
- [Special Reports](#)

**Special Reports**



**Special report: Detroit's mayor under fire**

Detroit Mayor Kwame Kilpatrick is hanging on for his political life after the revelation that, among 14,000 text messages between him and his chief of staff Christine Beatty, there was evidence of an extramarital affair... - Jan. 24, 2008

[Special report: The foreclosure crisis in Michigan](#)

© Copyright 2008 The Detroit News. All rights reserved.

[Terms of Service](#) | [Contact](#) | [Help](#)

[factory - Nov. 26, 2007](#)

[April 15 and you: Help with figuring out your taxes - Jan. 31, 2008](#)

[Special Report: Restoring the glory - Feb. 8, 2007](#)

[Detroit tax breaks go to the well-heeled - Oct. 31, 2007](#)

**[More Special Reports](#)**