

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

UNITED STATES OF AMERICA)
)
) v. No. 12 CR 50027
) Violation: Title 18, United States
RITA A. CRUNDWELL) Code, Section 1343

INDICTMENT

The DECEMBER 2011 GRAND JURY charges:

1. At times material to this indictment:

(a) Defendant RITA A. CRUNDWELL was employed as the comptroller for the City of Dixon, Illinois. As comptroller, CRUNDWELL handled all of the finances for the City of Dixon.

(b) The City of Dixon maintained a money market account at US Bank (“Money Market account”) into which were deposited funds representing the City of Dixon's share of various tax distributions made by the State of Illinois including the municipal 1% share of sales tax, local share of income tax, non-home rule sales tax, personal property replacement tax, motor fuel tax, local share of state use tax, and simplified municipal telecommunications tax.

(c) The City of Dixon maintained an account named the “Capital Development Fund” at Fifth Third Bank (“Capital Development Fund account”).

2. Beginning at least as early as December 18, 1990, and continuing to on or about April 17, 2012, at Dixon, in the Northern District of Illinois, Western Division, and elsewhere,

RITA A. CRUNDWELL,

defendant herein, knowingly devised and intended to devise a scheme to defraud and to obtain money from the City of Dixon, Illinois by means of materially false and fraudulent pretenses, representations, and promises, which scheme is further described below.

3. It was the object of this scheme for defendant to fraudulently obtain more than \$53,000,000 from the City of Dixon.

4. It was a part of the scheme that on December 18, 1990, defendant RITA A. CRUNDWELL opened a bank account in the name of the City of Dixon, P.O. Box 386, RSCDA, Dixon, Illinois 61021-0386 at First Bank South (“RSCDA account”), and maintained the RSCDA account at First Bank South and its successor banks, Grand National Bank, Old Kent Bank and Fifth Third Bank.

5. It was further a part of the scheme that defendant used her position as comptroller at the City of Dixon to cause funds to be wired from the City of Dixon’s Money Market account to the City of Dixon’s Capital Development Fund account, as well as to various other City of Dixon accounts at Fifth Third Bank.

6. It was further a part of the scheme that defendant would also write and sign checks on various other City of Dixon accounts and cause those checks to be deposited into the Capital Development Fund account.

7. It was further a part of the scheme that defendant opened the RSCDA account in December 1990 in order to transfer funds belonging to the City of Dixon into the RSCDA account and use those funds to pay for her own personal and private business expenses.

8. It was further a part of the scheme that after transferring funds from the Money Market account and various other City of Dixon accounts into the Capital Development Fund account, defendant wrote checks on the Capital Development Fund account made payable to "Treasurer," signed those checks as "Treasurer," and caused those checks to be deposited into the RSCDA account.

9. It was further a part of the scheme that defendant used the City of Dixon funds transferred into the RSCDA account to pay personal and private business expenses including expenses relating to defendant's horse farming operations, personal credit card payments, and the purchases of real estate and vehicles.

10. It was further a part of the scheme that defendant created fictitious invoices purported to be from the State of Illinois to show the auditors for the City of Dixon that the funds that defendant was fraudulently depositing into the RSCDA account were being used for a legitimate purpose.

11. It was further a part of the scheme that, in order to conceal her fraudulent scheme, defendant falsely told the Mayor and members of the City Council for the City of Dixon that the State of Illinois was late in its payments to the City of Dixon, when in fact, as defendant already well knew, she had fraudulently transferred those funds to the RSCDA account for her own use.

12. It was further part of the scheme that, in order to conceal her fraudulent scheme, defendant would pick up the mail for the City of Dixon, including the bank statements for the RSCDA account, to prevent other employees of the City of Dixon from learning about the existence of the RSCDA account. Whenever defendant was on vacation, defendant asked a relative to pick up the mail for the City of Dixon and to separate any of her mail, including the statements for the RSCDA account, from the rest of the City of Dixon's mail.

13. On or about November 2, 2011, at Dixon, in the Northern District of Illinois, Western Division,

RITA A. CRUNDWELL,

defendant herein, for the purpose of executing the aforesaid scheme to defraud and to obtain money by false and fraudulent pretenses, representations, and promises, and attempting to do so, knowingly did cause to be transmitted by means of wire communication in interstate commerce certain signs and signals, namely, a funds transfer in the amount of \$175,000 from the Federal Reserve Bank in Saint Paul, Minnesota to the Federal Reserve Bank in Cincinnati, Ohio for credit to City of Dixon's Capital Development Fund account at Fifth Third Bank in Dixon, Illinois;

In violation of Title 18, United States Code, Section 1343.

FORFEITURE ALLEGATION

The DECEMBER 2011 GRAND JURY further charges:

1. The allegations contained in the Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. Upon conviction of the offense in violation of Title 18, United States Code, Section 1343 set forth in the Indictment, the defendant, RITA A. CRUNDWELL, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense. The property to be forfeited includes, but is not limited to, funds in the amount of approximately \$53,000,000, and the following specific property:

- a. the single family residence located at 1679 U.S. Route 52, Dixon, Illinois;
- b. the horse farm property located at 1556 Red Brick Road, Dixon, Illinois;
- c. a single family residence located at 1403 Dutch Road, Dixon, Illinois;
- d. approximately 80 acres of vacant land located in Lee County, Illinois with Lee County property identification number 14-09-07-100-014;
- e. a single family residence located at 821 East Fifth Street, Englewood, Florida;
- f. a 2009 Liberty Coach Motor Home, Model H-345, D/S, VIN 2PCV334988C711148;

- g. a 2012 Chevrolet Silverado 3500 pickup truck, white in color, VIN 1GC4K1C82CF114165;
- h. a 2012 Featherlite 40' gooseneck car trailer, model 4941, white in color, VIN 4FGB44036CC122485;
- i. a 2005 Chevrolet Silverado, black in color, VIN 1GCEK19T65E210034;
- j. a 2009 Featherlite Horse Trailer, white in color, VIN 4FGB143339C113479;
- k. a 2010 GMC Terrain, gold in color, VIN 2CTFLJEW0A6298888;
- l. a 2009 Kenworth T800 Tractor Truck, white in color, VIN 1XKDD49X89J257500;
- m. a 2009 Heartland Cyclone 3950 5th Wheel Trailer, VIN 5SFCF40319E050819;
- n. a 2005 Ford Thunderbird Convertible, black in color, VIN 1FAHP60A75Y109211;
- o. a 2009 Chevrolet Silverado Pickup Truck, white in color, VIN 1GCHK63699F160081;
- p. a 2004 Elite Horse Trailer, white in color, VIN 5MKG172740005113;
- q. a 2009 Eliminator Trailer, white in color, VIN 5NHUEL9389N065953;
- r. a 2010 Elite Trailer, aluminum in color, VIN 5MKWG4535A0011663;
- s. a 2007 Chevrolet Silverado 3500 Pickup Truck, white in color, VIN 1GCJK33D57F128224;
- t. a 2009 Freightliner Truck, white in color, VIN 1FVAC4CV89HAG9773;
- u. a 1967 Chevrolet Corvette Roadster, VIN 194677S103054;

- v. a 2000 20' Playbuoy Pontoon Mfg. Pleasure Boat, VIN DVN31584A000;
- w. a 2004 Featherlite 6- Horse Trailer, VIN 4FGL042364C065901;
- x. a 2004 Featherlite 4-Horse Bumper Pull Trailer, VIN 4FGL028334C065902;
- y. a 2007 John Deere Model XUV 6201 Gator/Utility Vehicle, VIN M0XUVGX013939;
- z. a 2007 John Deere Model XUV 850 Gator/Utility Vehicle, VIN M0XUVDX011774;
- aa. a 2007 John Deere Model 757 Z-Track 60" mower, VIN TC0757B065562;
- bb. a 2009 John Deere Model 5065E Tractor, VIN PY5065U000357;
- cc. a 2011 John Deere Model X324 Riding Mower, VIN 1M0X324APBM182766;
- dd. a1998 Cobalt 25 LS Deck Boat, VIN FGE5S004I798;
- ee. \$191,357.75 seized from the RSCDA account on April 17, 2012; and
- ff. \$33,540.82 seized from account xxx79 at The First National Bank, Amboy, Illinois on April 17, 2012.

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

- e. has been commingled with other property which cannot be divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY