

The Enemy Within: How Rita Crundwell Defrauded the City of Dixon out of \$53 Million

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The Enemy Within: How Rita Crundwell Defrauded the City of Dixon out of \$53 Million

- Rita Crundwell stole \$53 million from the City of Dixon between December 1990 and April 2012
- Most prolific theft of public funds by a public official in Illinois history



Crundwell used the fraud proceeds to become one of the leading breeders of quarter horses in the United States



- Crundwell began working for the Finance Department for the City of Dixon in 1970, while she was still in high school
- In 1983, she was appointed Treasurer/Comptroller

Fraud Scheme

- December 18, 1990-Crundwell opened a secret account at Fifth Third Bank in Dixon, Illinois, that was in the name of the City of Dixon.
- The name of the account was “RSCDA - Reserve Fund.”
- The initials “RSCDA” stood for “Reserve Sewer Capital Development Account,” although no such account actually existed for the City of Dixon.

Fraud Scheme

- Crundwell did not disclose the existence of this account to the City of Dixon.
- Defendant created the RSCDA account to use to deposit funds that she stole from various City of Dixon accounts.

815 284 4069

53 bank

SIGNATURE CARD
FIFTH THIRD BANK

PERSON OR PERSONS TO AS BANK:

Name (Primary Owner) Account No. _____ - RSCDA Reserve Fund
 City of Dixon, IL
 Street Address 113 West Second Street, PO Box 386 Type _____
 City and State Dixon, IL Zip 61021-0386
 Home Phone 815-288-1485 Date of Birth 1-10-53 Mother's Maiden Name Schick
 Employer City of Dixon Work Phone 815-288-1485
 Tax ID or S.S. Number _____
 Ownership NEW ADD REPL
 Opened By _____ BC No. _____ Date _____

*Joint accounts shall be owned as joint tenants with right of survivorship, not as tenancy by the entirety.
 Corporation for Profit Non Resident Alien LLC Government Non Profit (501(c)(3))
 Sole Proprietorship Partnership for Profit LLP Trust Other _____
 Each Non Resident Alien must complete a W-8 Form

THE UNDERSIGNED AGREES TO THE TERMS AND CONDITIONS AT THE RIGHT

TERMS AND CONDITIONS

1. The terms and conditions shall be in addition to the terms and conditions which apply to the signature card, and applicable and to the Regulatory Agreement and Depository Agreement. The agreement between the individual (or an individual named herein "Depositor") and the Bank.

2. This Agreement incorporates the Rules, Regulations, Agreements, and Disclosures established by Bank for use in time clearing house rules and regulations, state and federal law applicable banking practices, and customer service changes as may be established from time to time and is subject to any regulatory transfers or death and other laws.

3. All signers hereby agree that the above named bank is authorized to act as a depository under the terms and conditions of the Agreement.

4. Bank is authorized to recognize the signatures executed herein on such numbers as indicated, for the withdrawal of funds or transactions or any other business regarding this account and written notice to the company is received by Bank.

5. In the case of overdraft or overpayment on any account, whether by error, mistake, inadvertence or otherwise, the amount of such overpayment shall be immediately paid to Bank.

6. Depositor acknowledges and agrees that Bank, for itself and its agent for the affairs of Fifth Third Bancorp, is granted a security interest in, and may at any time set off, against any balance in this account, any debt owed to Bank by any person having the right of withdrawal or any debt owed to Bank by any entity listed under the Account. This debt includes, but is not limited to, an obligation owing to Bank whether now existing or hereafter acquired by Bank without limitation and without regard to whether arising as maker or drawer or endorser or guarantor.

7. All signers agree to the Terms and Conditions set forth herein and acknowledge receipt of a copy of the Rules and Regulations, Agreements and Disclosures of Bank and agree to the terms set forth therein.

Title: Comptroller/Treasurer

Resid	Non-US Person*		Senior Foreign Official**	
	Yes	No	Yes	No
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Payable on Death Beneficiary PO Box 386, Dixon, IL 61021

USA PATRIOT ACT REQUIREMENTS:

*1. Are you a Non-US person with more than \$500,000 on deposit or invested with Fifth Third?
 *2. Are you a Senior Foreign Official of a government branch, military branch, political party, foreign government-owned company, or a senior personal or professional associate of any of these?

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me).
 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.
 3. I am a U.S. citizen or other U.S. person.

Declaration Instructions - You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

Sign [Signature] Date 6/20/11

90-213 (5-03-REV 9/10/05) Send original to Check Processing 1MOC11

Verification - Internal Use Only

I.D. (Make Copy if Altered) _____
 Run Customer's Creditline _____
 Verify Existing Deposit _____
 Ring CC Hold or Holdoff _____
 Verify Phone Numbers _____
 Verify Address _____
 Thank You Card/Follow Up _____

17712-085759

- Crundwell sole person allowed to sign checks and make withdrawals from RSCDA account

JUN-12-2012 11:22AM FROM-

T-214 P.002/003 F-392

13712-018127

RESOLUTION OF CORPORATION AUTHORIZING OFFICERS TO MAKE DEPOSITS AND WITHDRAWALS

I HEREBY CERTIFY, that I am Secretary of the Board of Directors of City of Dixon Dixon Illinois Illinois a ^{municipality} corporation organized and existing under the laws of the State of Illinois

I FURTHER CERTIFY, that a meeting of the Board of Directors of said Corporation was duly called and held at its office in the City of _____ and State of _____ on the _____ day of _____ 19____, that at said meeting a quorum was present and voting throughout, and that the following resolutions were duly adopted and are now in full force and effect.

RESOLVED, that First Bank South ^{Bank Name and Address} be and it is hereby designated as a depository of the funds of this Corporation, and that the said funds be subject to withdrawal upon checks, notes, drafts, bills of exchange, acceptances, undertakings or other orders for the payment of money when signed by: Rita Crundwell only.

RESOLVED, that above named Bank is authorized to pay any such checks, notes, drafts, bills of exchange, acceptances, undertakings or other orders and also to receive the same for the credit of or in payment from the payee or any other holder without inquiry as to the circumstances of issue or the disposition of the proceeds thereof, even if drawn to the individual order of any signing officer or payable to said Bank or others for his account, or tendered in payment of his individual obligation.

RESOLVED, that any and all endorsements for or on behalf of this Corporation upon checks, drafts, notes or instruments for deposit or collection made with the said Bank may be written or stamped endorsements of the Corporation without any designation of the person making such endorsements.

RESOLVED, that said Bank be promptly notified in writing by the Secretary or any other officer of this Corporation of any change in these resolutions or our by-laws and that until it has actually received such notice in writing said Bank is authorized to act in pursuance of these resolutions.

I FURTHER CERTIFY, that these resolutions are within the power of the Board of Directors to pass as provided in the Charter and By-Laws of this Corporation, and that the present officers of this Corporation and their respective titles are as follows:

Name	Title
_____	_____
_____	_____
_____	_____

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and affixed the corporate seal this 6th day of October 1993

(Seal)

Kate A. Swanson
Secretary of the Board of Directors
(For RSCDA Acct. # [redacted])

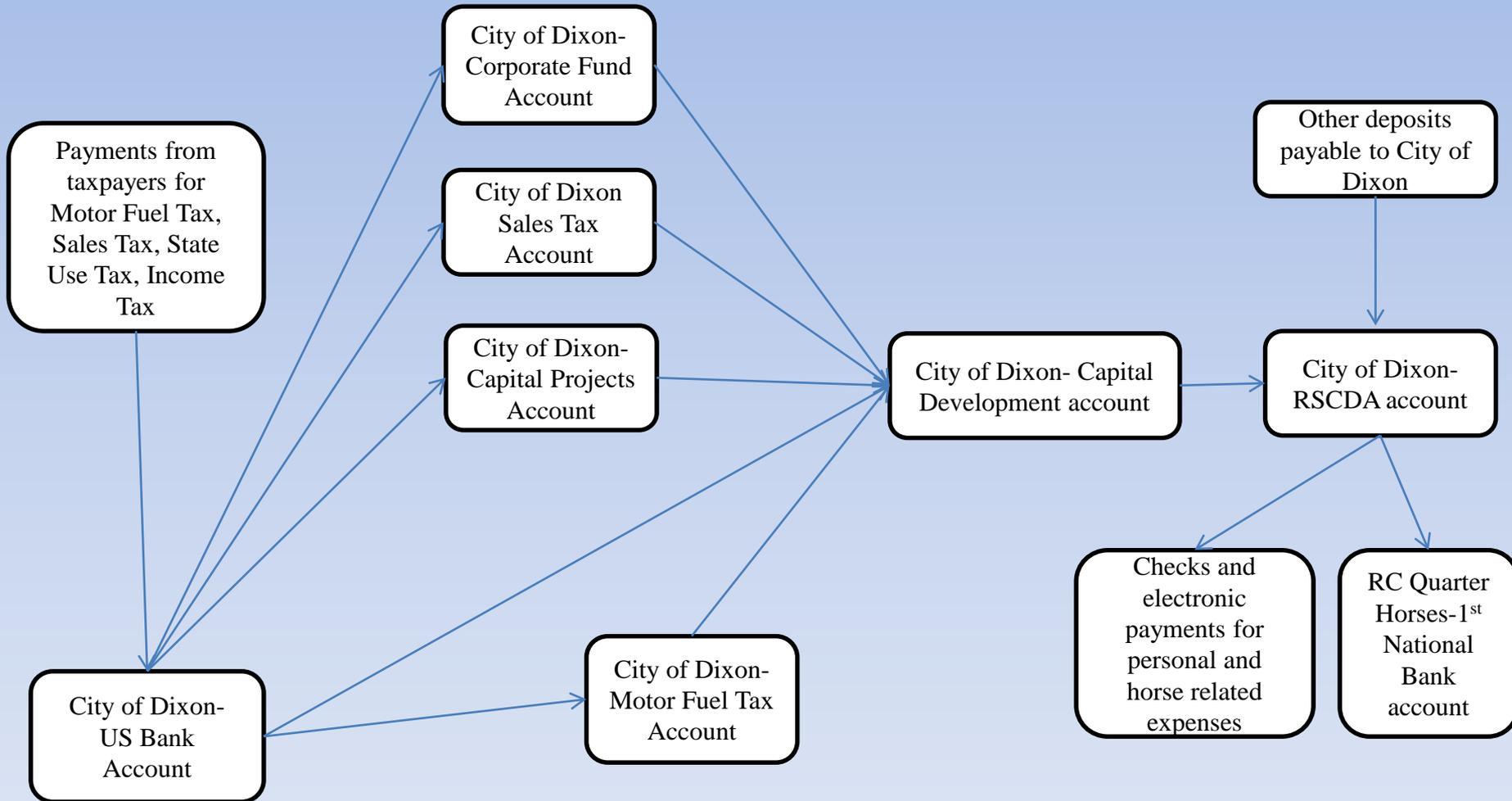
Fraud Scheme

- The City of Dixon, Illinois, maintained a money market account at US Bank
- 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

Fraud Scheme

- In January 1991, shortly after creating the RSCDA account, Crundwell began transferring money from City of Dixon accounts and converting it to her own use.

Flow of Funds to Crundwell



Fraud Scheme

- Crundwell funneled money into the Capital Development Fund that she then transferred to the secret RSCDA account



Fraud Scheme

- US Bank accounts funds were transferred via wire transfer
- Crundwell had authority to approve, execute, and record the wire transfers

Fraud Scheme

- Crundwell wrote checks for the City of Dixon accounts at Fifth Third Bank in Dixon that she deposited into the Capital Development Account
- Crundwell had authority to authorize, write and record the checks

Fraud Scheme

- Once the funds were transferred to the Capital Development Fund, Crundwell wrote checks payable to “Treasurer” and deposited those checks into the secret RSDCA account



Fraud Scheme

- Once the checks were deposited into the RSCDA Account, Crundwell then wrote checks and made transfers from the RSCDA account
- Paid personal expenses
- Paid expenses associated with her quarter horse business



R.S.C.D.A.
C/O RITA CRUNDWELL
P.O. BOX 482
DIXON, IL 61021

70-2390/719
4003609530

9302

DATE 9/8/09

PAY TO First National Bank of #024279 \$225,000.00
the order of Two hundred twenty-five thousand & no/100 DOLLARS



FIFTH THIRD BANK

MEMO _____

Rita Crundwell

[Redacted] 9302

Postage and postage paid herein guaranteed by United States Postal Service and on order from U.S. Treasury Department, Inc. © 2001 The United States Postal Service. All rights reserved.

POSTNET

ENDORSE HERE
Credited to The Account of the
Within Named Payee in the
FIRST NATIONAL BANK
AMBOY, ILLINOIS
Absence of Endorsement Guaranteed



CITY OF DIXON
PO BOX 386
R S C D A
DIXON IL 61021-0386

15027

Statement Period Date: 9/1/2009 - 9/30/2009
Account Type: Publ Fund Total Now
Account Number: [REDACTED]

Banking Center: Dixon
Banking Center Phone: 815-284-3333
Commercial Client Services: 1-800-589-5355
www.53.com

13712-000023

Account Summary

09/01	Beginning Balance	\$94,174.19	Interest Earned	\$29.30
47	Checks	\$(463,883.70)	Number of Days in Period	30
17	Withdrawals / Debits	\$(106,693.81)	Interest Earned YTD	\$346.33
3	Deposits / Credits	\$765,029.30		
09/30	Ending Balance	\$288,625.98		

47 checks totaling \$463,883.70

Checks

* Indicates gap in check sequence I = Electronic Image S = Substitute Check

Number	Date Paid	Amount	Number	Date Paid	Amount	Number	Date Paid	Amount
9276 I	09/08	1,700.00	9306 I	09/16	3,608.00	9323 I	09/21	8,400.00
9287 *I	09/01	5,016.00	9307 I	09/15	3,079.30	9324 I	09/21	16,620.00
9290 *I	09/01	444.56	9308 I	09/15	865.00	9325 I	09/22	4,409.00
9292 *I	09/09	3,608.00	9309 I	09/16	1,598.00	9326 I	09/22	1,040.00
9293 I	09/03	1,306.69	9310 I	09/16	3,250.00	9327 I	09/21	6,884.00
9294 I	09/11	565.00	9311 I	09/22	92.40	9328 I	09/28	3,608.00
9295 I	09/17	7,455.53	9312 I	09/17	741.00	9329 I	09/25	853.60
9296 I	09/14	2,922.50	9313 I	09/23	244.38	9330 I	09/23	1,341.00
9297 I	09/15	579.00	9314 I	09/15	935.00	9331 I	09/29	26,450.00
9298 I	09/10	786.98	9315 I	09/17	3,227.00	9332 I	09/23	10,000.00
9299 I	09/23	1,710.00	9317 *I	09/17	1,000.00	9333 I	09/23	50,000.00
9300 I	09/11	1,967.40	9318 I	09/14	352.51	9334 I	09/28	1,199.65
9301 I	09/10	2,899.24	9319 I	09/14	1,317.59	9335 I	09/25	1,284.99
9302 I	09/08	225,000.00	9320 I	09/14	20,590.00	9336 I	09/28	157.00
9303 I	09/15	2,430.00	9321 I	09/16	937.00	9337 I	09/28	1,246.59
9305 *I	09/15	28,888.00	9322 I	09/14	1,273.79			

17 items totaling \$106,693.81

Withdrawals / Debits

Date	Amount	Description
09/01	2,841.13	WEB INITATED PAYMENT AT FIA ONLINE PYMT ONLINE PMT CKF886056828POS 090109
09/01	5,065.06	WEB INITATED PAYMENT AT CITI CARD ONLINE PAYMENT 133052410655271 090109
09/09	5,141.70	WEB INITATED PAYMENT AT BANK OF AMERICA ONLINE PMT CKF761541789POS 090909
09/10	3,866.62	NCDF IC PAYMENT 059102018410261 091009
09/14	60.07	TELEPHONE INITIATED PAYMENT AT VZ WIRELESS VW VZW WEBPAY 2749422 091409
09/15	440.00	CHECK #9316 CONVERTED TO ELECTRONIC TRANSACTION BY METLIFE A&H BILLPYMT 091509
09/18	97.81	WEB INITATED PAYMENT AT AT&T PAYMENT 294265157ILL 091809
09/25	67,345.20	WEB INITATED PAYMENT AT AMERICAN EXPRESS ELEC REMIT 090924060455888 092509
09/28	201.66	WEB INITATED PAYMENT AT SHELL ONLINE PMT 113076166147506 092809
09/28	244.80	WEB INITATED PAYMENT AT SPRINT8006396111 ACHBILLPAY 441011518 092809
09/28	246.30	WEB INITATED PAYMENT AT CHASE EPAY 792175306 092809
09/28	288.66	CenturyTel PHONE BILL 304068483497897 092809
09/28	472.47	TELEPHONE INITIATED PAYMENT AT VZ WIRELESS VE VZW WEBPAY 5252678 092809
09/28	2,793.65	WEB INITATED PAYMENT AT DISCOVER E-PAYMENT 7241 092809
09/28	5,059.10	WEB INITATED PAYMENT AT CHASE EPAY 792177203 092809
09/28	10,733.85	WEB INITATED PAYMENT AT CHASE EPAY 792176296 092809
09/29	1,795.73	WEB INITATED PAYMENT AT FIA ONLINE PYMT ONLINE PMT CKF886056828POS 092909

13712-3418

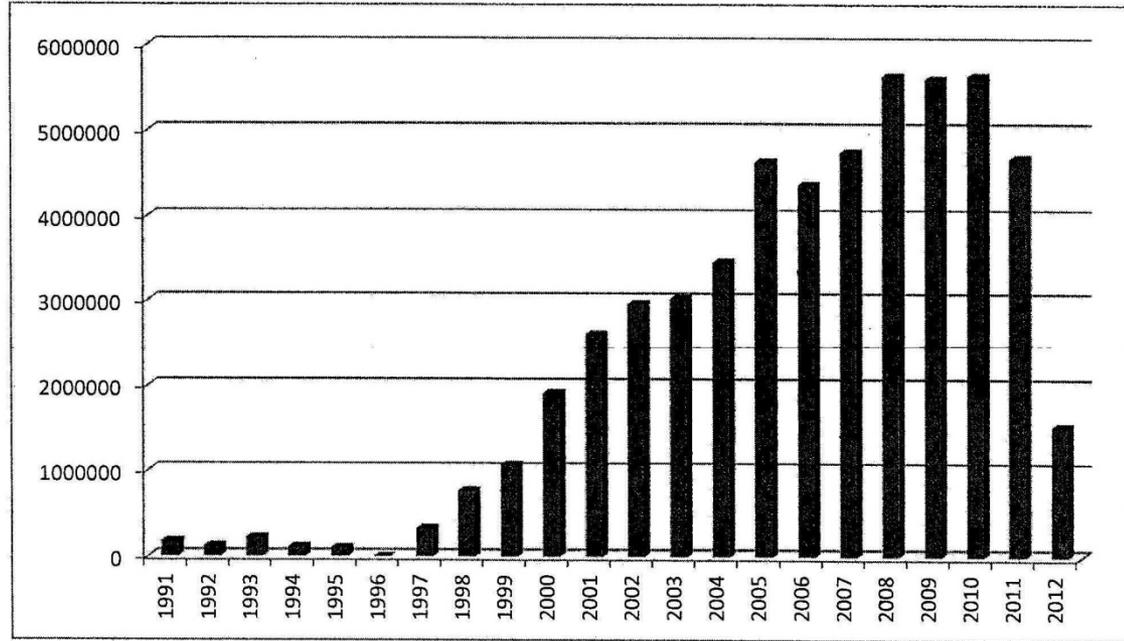
Fraud Scheme

- Crundwell transferred over \$181,000 to the RSCDA account that she converted to her own use in 1991
- As the scheme continued, the yearly amounts that Crundwell stole from the City of Dixon increased from \$181,000 in 1991 to a high of over \$5.8 million in 2008.

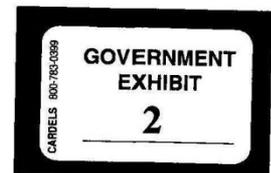
City of Dixon - Losses by Year
 PO Box 386, RSCDA, Dixon, IL 61021
 Fifth Third Bank - A/C #4003609530 - Losses **

Year	Loss
1991	181,000.21
1992	121,367.90
1993	225,287.67
1994	117,281.04
1995	103,664.92
1996	-
1997	328,622.36
1998	767,487.58
1999	1,069,479.88
2000	1,916,676.21
2001	2,603,208.92
2002	2,964,461.56
2003	3,023,120.22
2004	3,458,701.34
2005	4,645,032.54
2006	4,379,004.05
2007	4,753,898.96
2008	5,637,546.34
2009	5,599,247.94
2010	5,640,518.85
2011	4,683,873.31
2012	1,520,913.01

53,740,394.81

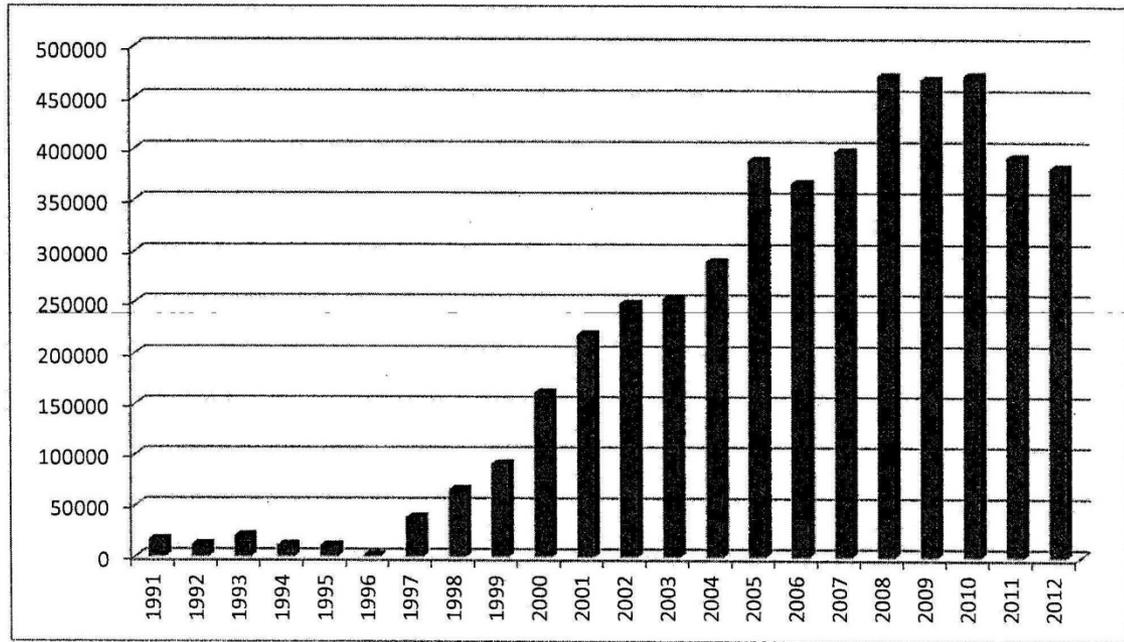


** Missing bank account information from November 1995, all of 1996, and January through March of 1997.
 (Highlighted years are missing one or more months of data)

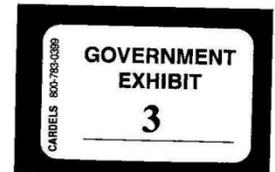


City of Dixon - Losses by Year - Monthly Averages.
 PO Box 386, RSCDA, Dixon, IL 61021
 Fifth Third Bank - A/C #4003609530 - Losses **

Year	Monthly Loss (Avg)
1991	15,083.35
1992	10,113.99
1993	18,773.97
1994	9,773.42
1995	9,424.08
1996	-
1997	36,513.60
1998	63,957.30
1999	89,123.32
2000	159,723.02
2001	216,934.08
2002	247,038.46
2003	251,926.69
2004	288,225.11
2005	387,086.05
2006	364,917.00
2007	396,158.25
2008	469,795.53
2009	466,604.00
2010	470,043.24
2011	390,322.78
2012	380,228.25



** Missing bank account information from November 1995, all of 1996, and January through March of 1997.
 (Highlighted years are missing one or more months of data)



Fraud Scheme

- During the course of the scheme, Crundwell took over \$53 million from the City of Dixon
- Average of over \$2.5 million dollars per year over the 20 year course of the scheme.

Concealment of the Fraud

- Crundwell was responsible for picking up the mail for the City of Dixon
- Whenever defendant was on vacation, defendant asked a relative or another City of Dixon employee 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

Concealment of the Fraud

- The checks Crundwell wrote from the Capital Development Fund were purportedly for payments to the State of Illinois for road and other improvements to the City of Dixon
- Crundwell created fictitious invoices purportedly from the State of Illinois to justify the withdrawals from the City's Capital Development Fund

Concealment of the Fraud

- Crundwell created 159 fictitious invoices between 2001 and 2012 to help to conceal her fraud scheme

I N V O I C E

DIXON, CITY OF
C/O City Clerk
City Hall
Dixon
IL 61021

INVOICE NO. 102964
RESP. CODE 8040
INVOICE DATE 09/01/09
REVENUE CODE 6305
AUDIT NUMBER
PAYER NUMBER 06614

EXPLANATION OF CHARGES

PAY FROM THIS INVOICE

LOCATION: North Court/North Galena Avenue Intersection/North
LOCAL SECTION: Sewer Separation & Relocation
ROUTE : FA316
SECTION : 101RS-3
COUNTY : Lee
JOB NO. : SS-32-815-06
PROJECT NO.: FAS-06-14-022/361
CONTRACT NO.: 999867

*Paid 9/8
check # 532*

The Agreement executed between DIXON, CITY OF, and the State of Illinois provides that the city will reimburse the state for part of the construction costs.

CITY SHARE: \$2,800,000.00

City Share	\$2,800,000.00	
Less Previous Payments	(\$805,000.00)	
Balance Due		\$1,995,000.00

Payment Due Date: 09/15/09	NOW DUE	\$350,000.00
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**PLEASE MAKE CHECK PAYABLE TO TREASURER, STATE OF ILLINOIS
AND MAIL TO: Illinois Department of Transportation
Room 322, Harry R. Hanley Building
2300 So. Dirksen Parkway
Springfield, IL 62764**



Concealment of the Fraud

- Crundwell had significant input in the city's budgeting process
- In order to conceal her fraudulent scheme and in order to facilitate the commission of the crime, Crundwell advised city officials that the city's budgetary shortfalls were due to the State of Illinois being late in the payment of tax revenues unrelated to the fraudulent scheme, when defendant knew that part of the reason for the shortfalls was her fraudulent scheme.

Concealment of the Fraud

- Crundwell sat silent during the budget meetings year-after-year as the City made painful cuts
- City was forced to reduce services and put off maintenance and repairs to City property
- Prior to her arrest in 2012 the situation at the City was “borderline catastrophic”

2012

3/15/2012 - Letter from Dave Blackburn to Department Heads regarding cash flow problems: "Payments expected from the State of Illinois seem to have slowed down even more than before and since we have no reserves it is borderline catastrophic... We have absolutely no money so budget numbers don't really matter at this time. Unless something is absolutely essential to today or tomorrow's operation we need to hold off on any and all purchases." cc: Rita Crundwell

Rita Crundwell Activity:

Crundwell stole \$331,736 in March of 2012, the same month that Comm. Blackburn sent out the letter. Crundwell stole \$1,520,913 from the City of Dixon in 2012 before her arrest on April 17, 2012. Crundwell used the stolen money to pay for personal expenses, including \$100,452 in personal credit card bills in February of 2012.

Summary:

Total Stolen Mar. '12: \$331,736

Total Stolen in 2012: \$1,520,913

Total Stolen 1991-2012: \$53,740,394

Effects of the Fraud

- New police radios could not be purchased for \$80,000
- Streets Department
 - couldn't resurface streets or purchase new trucks
 - Crundwell told the Street Superintendent who asking if there was money to replace an unsafe truck, "if you know where there is a money tree, let me know"
- -Sewer Department had to delay of the \$80,000 in maintenance at the City water treatment plant in 2008 because there was no money
 - After defendant's arrest in the City completed the maintenance but at a price of over \$400,000
- Public property
 - didn't have the money to mow the grass at the City's cemetery

CITY OF DIXON BUDGET REQUESTS FY2012/13



Police Chief

- Budget coversheet that Crundwell provided to Dixon Police Chief
- Used by Crundwell to convey her message that there was no money available when, at the same time, she was stealing millions of dollars

Effects of the Fraud

- Crundwell sat silent in budget meetings where cuts were discussed due to the lack of funds
- At the same time, she was taking millions of dollars to use to fund her extravagant lifestyle as one of the leading quarter horse breeders in the country

1999

3/15/1999 - City of Dixon, Regular Council Meeting

Cuts include:

- \$3,000 for radio equipment to Police Department.

Comm. Bridgeman asked all departments to turn in further cuts to Rita before the next budget session.

3/22/1999 - City of Dixon, Regular Council Meeting

Cuts to budget include:

- Police Department:
 - Squad Cars cut \$1,000,
 - Weapons cut \$500
 - Training cut \$2,000
- Fire Department cut \$2,300
- Street Department cut \$11,250 including:
 - \$5,000 to Salt
 - \$4,000 to Sidewalks;
- Building and Zoning cut \$1,100
- Public Properties cut \$8,400 including:
 - \$1,000 in Equipment
 - \$500 for Flood Control
- Traffic Maintenance cut \$2,700 including:
 - \$2,000 for Traffic Lights
- Oakwood Cemetery cut \$9,850.

Rita Crundwell Activity

Crundwell stole \$1,069,479 from the City of Dixon in 1999.

Crundwell used the stolen money to pay for personal expenses, including:

- **\$125,000 to purchase a horse named CANT FOOL PATTY.**



Summary

Total Stolen Mar. '99: \$50,715

Total Stolen in 1999: \$1,069,479

Total Stolen 1991-1999: \$2,914,191.56

Rita Crundwell and Cant Fool Patty in October of 2000 at the All American Quarter Horse Congress in Columbus, Ohio.
(Source: www.oqha.com).

2000

4/10/2000 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$370,674.

Rita Crundwell explained that Capital Development Fund money were expended when Motor Fuel Tax does not cover a street project.

The following budget cuts were made:

- Police Department:
 - Overtime cut \$5,000
 - Ammunition and Targets cut \$500
 - Police Supplies cut \$500
 - Weapons cut \$300
 - Lead Level Testing cut \$500
- Fire Department:
 - Motorized Equipment cut \$26,000
 - Assistant Chief Position cut \$46,000
- Building and Zoning cut \$1,000
- Public Property cut \$10,000
- Oakwood Cemetery cut \$5,000

5/8/2000 - City of Dixon, Special Council Meeting

Comm Bridgeman: Final cuts include:

- Fire Department cuts of \$4,700, including:
 - \$1,000 for Station Equipment
 - \$2,000 for training
- Department of Streets and Improvement cut \$4,000 including:
 - \$2,000 for Salt
 - \$1,000 for Sidewalks
- Public Property cut \$10,300, including:
 - \$2,000 for equipment
 - \$100 for flood control
- Traffic Maintenance Department cut \$700
- Airport Fund cut \$12,000
- Oakwood Cemetery Fund cut \$7,500, including:
 - \$1,300 for new motorized equipment
 - \$200 for drug and alcohol testing.

Rita Crundwell Activity

Crundwell stole \$1,916,676 from the City of Dixon in 2000. Crundwell used the stolen money to pay for personal expenses, including:

- **\$450,000 to a construction company to completely remodel her home on US Hwy 52 in Dixon, Illinois, adding an underground garage, an in-ground pool, and more than doubling the living space to 3,484 square feet.**



Photo of Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois. (Law Enforcement photo dated 01/17/13).

Summary

Total Stolen May. '00: \$121,471

Total Stolen in 2000: \$1,916,676

Total Stolen 1991-2000: \$4,830,867

2001

4/9/2001 - City of Dixon, Special Council Meeting

Comm. Bridgeman : Deficit at \$730,576. Advised all departments to give their cuts to Rita by noon on Monday, April 16.

- Police Department cut \$85,122
- Fire Department cut \$7,415
- Streets cut \$8,882
- Public Properties cut \$51,500
- Traffic Maintenance cut \$20,005
- Oakwood Cemetery cut \$19,100

Comm. Bridgeman stated there is still \$208,000 left to cut.

Rita Crundwell Activity

Crundwell stole \$2,603,208 from the City of Dixon in 2001.

Crundwell used the stolen money to pay for personal expenses, including:

- \$125,000 to purchase a horse named SHEZA TELUSIVE KID in April of 2001
- \$175,000 to purchase a horse named MOXIES SHADOW in July of 2001
- \$225,000 to purchase a horse named SACRED SIERRA in November of 2001.

Summary

Total Stolen Apr. '01: \$201,343

Total Stolen in 2001: \$2,603,208

Total Stolen 1991-2001: \$7,434,076

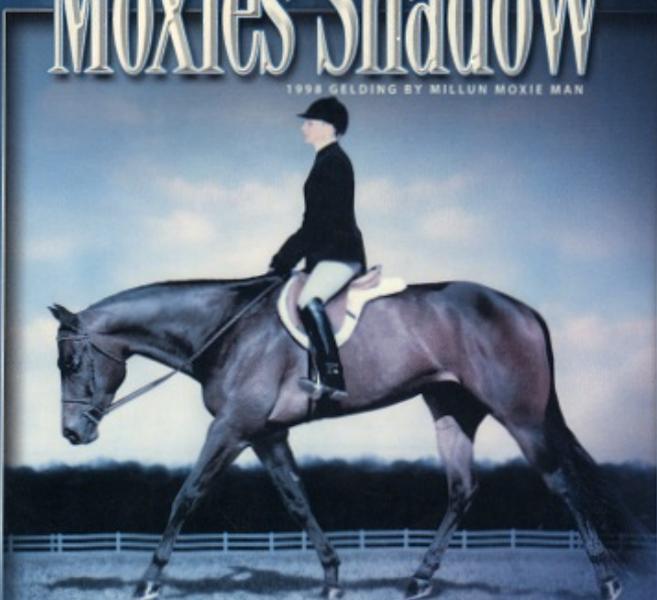


SHEZA TELUSIVE KID

(Source: online.professionalauction.com)

Moxies Shadow

1998 GELDING BY MILLUN MOXIE MAN



IN THE HUNT!
 4TH IN THE NATION - JUNIOR HUNTER UNDER SADDLE (2004)
 WINSTEDTOPS W/ OGD HUNTER UNDER SADDLE CHAMPION
 CHAMPIONED IN OGD HUNTER 3-YEAR OLD HIS FUTURE!

Don't miss him with
Rita Crundwell in
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MOXIES SHADOW #1046 © DEN TROZ
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MOXIES SHADOW
 (Source: www.hawk.igs.net)



SACRED SIERRA
 (Source: horsetalk.co.nz)



Rita Crundwell at the 2001 All American Quarter Horse Congress in Columbus, Ohio (Perpetual Prince)
(Source: www.oqha.com)



Rita Crundwell at the 2001 AQHA World Championship Show in Oklahoma City, Oklahoma (Mr. Touchdown Kid)
(Source: online.professionalauction.com)

2002

3/11/2002 - City of Dixon, Special Council Meeting

Comm. Bridgeman: income tax payments are currently thirty days late from the State, things are very tight in the budget, deficit now at \$581,550.

- Bridgeman gave the following summary of department cuts: Public Affairs cut \$17,000
- Accounts and Finance cut \$55,000
- Police Department cut \$15,500
- Fire Department cut \$6,000
- Street Department cut \$94,300
- Public Properties cut \$1,900
- Traffic Maintenance cut \$19,600
- Oakwood Cemetery cut \$15,700.
- Bridgeman advised there is a hiring freeze in all departments

4/8/2002 - City of Dixon, Special Council Meeting

Comm. Bridgeman: State is still behind in their payments. Current Deficit at \$478,369. There would be a hiring freeze for next year. Comm. Bridgeman asked all departments to make \$5,000 - \$10,000 in further cuts and advised that all further cuts should be in to Rita on Wednesday, April 17 .

Summary

Total Stolen Apr. '02: \$400,099

Total Stolen in 2002: \$2,964,461

Total Stolen 1991-2002: \$10,398,538

Rita Crundwell Activity

Crundwell stole \$2,964,461 from the City of Dixon in 2002.

Crundwell used the stolen money to pay for personal expenses, including:

- \$400,000 to purchase a motor home in April of 2002
- \$200,000 to purchase a horse named SHE SCORES in November of 2002
- Crundwell also purchased a 1967 Chevy Corvette for her boyfriend for \$55,599



SHE SCORES

(Source: horsetalk.co.nz)

DATE 12/20/2002
COMPLETED 12/21/2002



Classic Corvettes
and
Collectables, Inc.

304 S. Pinellas Ave., Tarpon Springs, FL 34689
www.classiccorvettes.com

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Fax 727-934-3281

BUYERS AGREEMENT

BUYER: JIM MCKILLIPS STOCK NO: 925
DOB 11/24/1944 DL# _____ SS# 397-42-7009

AND OR
CO BUYER: _____
DOB / / DL# _____ SS# _____
ADDRESS 1114 EAST COLLEY RD. CITY BELDIT STATE WI ZIP 53511 COUNTY _____
HOME PHONE 815-405-7442 WORK/ALT PHONE 815-288-6995

YEAR	MAKE	MODEL	BODY STYLE	COLOR	SERIAL/V.I.N. #	MILEAGE
1967	CHEVROLET	CORVETTE	CV	RED	1946775103054	EXEMPT

NOTES
*AS-IS
No Warranty*

YES _____ NO X
IF YES PROVIDE THE FOLLOWING INFO:
COMPLETE NAME OF LIENHOLDER _____
ADDRESS _____
CITY/STATE/ZIP _____
TEL # _____
CONTACT PERSON _____

SALES PRICE \$ 55500.00
LESS TRADE-IN ALLOWANCE \$ 0.00
CASH DIFFERENCE \$ 55500.00
SERVICE CHARGE \$ ***99.50**
TAXABLE AMOUNT \$ 55599.50
SALES TAX \$ 0.00
TAG & TITLE \$ 0.00
GRAND TOTAL \$ 55599.50
PLUS AMOUNT OWED ON TRADE \$ 0.00
CASH BALANCE DUE \$ 55599.50
DEPOSIT \$ 0.00
CASH ON DELIVERY \$ 55599.50
UNPAID BALANCE \$ _____

TRADE IN DESCRIPTION

YEAR: _____ MAKE: _____ MODEL: _____ COLOR: _____
BODY STYLE: _____ VIN# _____ MILES: 0
STOCK # _____ TITLE: YES NO ACTUAL EXEMPT
IF PAY OFF (CO. NAME): _____ PAY OFF AMOUNT: _____

I understand that the allowance for my trade-in was affected by the condition and the equipment and accessories thereon I hereby agree to reimburse CLASSIC CORVETTES and COLLECTABLES, INC. for any loss in value caused by the removal of any said equipment and/or accessories and for damage to said trade-in since the date of this offer and prior to its delivery to CLASSIC CORVETTES and COLLECTABLES, INC.

I warrant that to my trade-in to be in my name and that name is free from encumbrances and all debts except those noted above. This offer releases the entire agreement pertaining to this purchase and no other agreement of any kind; verbal understanding of promises which never will recognize. This offer is binding on Dealer until accepted by Dealer in writing.

**NO REFUND IF CREDIT IS APPROVED
AS IS-NO WARRANTY**

The seller makes no warranty of merchantability of express or implied warranty of fitness, of any other warranties: (unless a separate copy is attached to this bill of sale).

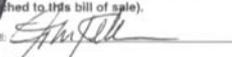
PURCHASER'S SIGNATURE:  _____ SOLD BY SALESMAN: _____
CO-PURCHASER'S SIGNATURE: _____ DEALER APPROVAL: _____



Photo of 1967 Corvette located at Crundwell's home in Florida, 821 E. 5th Street, Englewood, Florida. (Law Enforcement photo dated 04/18/12).

Invoice Classic Corvettes for purchase of 1967 Corvette for \$55,599.50 Invoice located during search of Crundwell's residence, 1679 US Highway 52, Dixon, Illinois, on 04/17/12.

2003

4/14/2003 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,279,363, advised that the State might cut more tax payments to the City and some really tough cuts will have to be made this year.

Comm. Bridgeman advised department heads to review their budgets and cut all possible items.

Comm. Bridgeman advised that these cuts should be to Rita Crundwell by April 21.

Rita Crundwell Activity

Crundwell stole \$3,023,120 from the City of Dixon in 2003.

Crundwell used the stolen money to pay for personal expenses, including:

- Writing a check for \$240,000 and trading in a Newell motor home to purchase a new motor home in August of 2003.
- Crundwell also purchased a horse named INVEST IN A HOT STAR for \$135,000.

Summary

Total Stolen Apr. '03: \$140,002

Total Stolen in 2003: \$3,023,120

Total Stolen 1991-2003: \$13,421,658

2004

3/29/2004 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,586,442. City is looking to borrow \$10 to \$11 million, which is the legal limit to borrow, advised that all departments need to cut 10% from their budgets and to have all cuts turned in to Rita Crundwell before April 7.

5/10/2004 - City of Dixon, Special Council Meeting:

Comm. Bridgeman: went over final budget cuts including:

- Department of Public Affairs:
 - Electric/Street Lighting cut \$10,000
- Police Department: Contracts cut \$1,000
 - Street Department: Patching cut \$2,000
 - Safety/Training cut \$250

Comm. Bridgeman advised that the new fire truck would be purchased during next years budget.

Rita Crundwell Activity

Crundwell stole \$3,458,701 from the City of Dixon in 2004. Crundwell used the stolen money to pay for personal expenses, including:

- **Paying a balance of \$499,000 and trading in the motor home she purchased 14 months earlier for a new motor home costing \$1,715,360.**

Summary

Total Stolen May 2004: \$225,617

Total Stolen in 2004: \$3,458,701

Total Stolen 1991-2004: \$16,880,359

4/12/2004: City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit down from \$1,586,000 to \$995,849.

Chief Coppotelli: Police Department cuts include :

- \$4,000 for Janitor
- \$4,000 for Computer
- \$7,000 for Station Equipment and Fixtures
- \$12,000 for Radio Equipment
- \$13,000 for TRT Equipment
- \$7,000 for Detective Equipment
- \$2,200 for Light Bars

• Chief Rhodes: Fire Department cuts include :

- \$2,200 for Radios
- \$1,000 for Station Equipment
- Headgear and Clothing cut 10%
- New Air Packs cut 6%

Chief Rhodes advised that his total cuts were \$333,150

- Mike Stichter: Streets & Improvements cuts include:
 - \$5,000 for Salt
 - \$2,000 for Sidewalks
 - Patching cut completely
 - Curbs and gutters cut \$2,000
 - Overtime cut \$3,000, Motorized Equipment cut \$10,000, Safety and Training cut \$250.

Stichter advised his total cuts were \$52,550

Comm. Bridgeman advised that more cuts by each department are needed to reduce the deficit or he would make them.

2005

3/25/2005

City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,384,427.

Cuts include the following:

- Public Affairs cut \$500
- Police Department cut \$20,500
- Fire Department cut \$4,000
- Street Department cut \$167,400
- Public Properties cut \$73,800
- Cemetery Fund cut \$47,350.

Comm. Bridgeman: Further cuts must be made or City will have to cut part-time employees.

Rita Crundwell Activity

Crundwell stole \$4,645,032 from the City of Dixon in 2005.

Crundwell used the stolen money to pay for personal expenses, including:

- **Building a horse ranch facility on Red Brick Road in Dixon, Illinois from March of 2005 to December of 2005 and writing checks to the following builders:**
 - **Bob Slain Construction \$299,710.59**
 - **ICCI \$57,658**
 - **Burkeholder & Son \$72,971**
 - **Cleary Building Corp \$222,376.**
 - **Crundwell also paid the balance of \$235,000 and traded in the motor home she purchased 11 months earlier to purchase a new motor home for \$1,824,429.**

Summary

Total Stolen Mar. '05: \$406,968

Total Stolen in 2005: \$4,645,032

Total Stolen 1991-2005: \$21,525,392



Photo of Crundwell's Ranch at 1556 Red Brick Road, Dixon, Illinois. (Law Enforcement photo dated 04/05/12).



Rita Crundwell's RC Quarter Horses ranch, located at 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12)

2006

3/27/2006

City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,653,133.
Everyone should look for cuts. Any changes should be to Rita Crundwell by Monday, April 13.

5/8/2006

City of Dixon, Special Council Meeting

Comm. Bridgeman: There would be a freeze on what the departments had budgeted from last year with the exception of the new fire truck. Advised that he will cut approximately \$700,000 from Capital Equipment.

Rita Crundwell Activity

Crundwell stole \$4,378,004 from the City of Dixon in 2006.

Crundwell used the stolen money to pay for personal expenses, including:

- The purchase of a Chevy Silverado Pickup Truck for \$54,487 in November of 2006.

Summary:

Total Stolen Mar. '06: \$358,393

Total Stolen in 2006: \$4,378,004

Total Stolen 1991-2006: \$25,904,396

2007

3/26/2007

City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,525,101, he would be requesting cuts from Police Department for \$26,000.

Comm. Bridgeman advised he did not want to cut personnel but that it would come down to this in the future.

He asked department heads to go through their budgets and look for savings and bring their cuts to Rita.

4/9/2007

City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,196,713, future cuts would be in the Police, Fire, Street, Public Properties, Public Works, Airport and Cemetery departments.

Rita Crundwell Activity

Crundwell stole \$4,753,898 from the City of Dixon in 2007.

Crundwell used the stolen money to pay for personal expenses, including:

- **Paying the balance of \$545,000 and trading in the motor home she purchased in October of 2005 for a new motor home costing \$1,961,000 in June of 2007.**
- **In December of 2007 Crundwell used stolen funds to lease a new 2008 Cadillac Escalade SUV valued at \$72,084 for her personal use.**

Summary

Total Stolen Apr. '07: \$361,594

Total Stolen in 2007: \$4,753,898

Total Stolen 1991-2007: \$30,658,295

2008

3/31/2008 - City of Dixon, Special Council Meeting
Comm. Bridgeman: Deficit at \$1,192,086, advised that a shortage of funds would cause budgets to be drastically cut, as well as cutting staff.

4/14/2008: City of Dixon, Special Council Meeting
Comm. Bridgeman: Deficit at \$1,194,087, budgets have to be cut or staff will be.
Comm. Bridgeman stated that it is tough on all of us and we receive less and less from the State.



Rita Crundwell Activity

Crundwell stole \$5,637,546 from the City of Dixon in 2008.

Crundwell used the stolen money to pay for personal expenses, including:

- \$63,431 for a 2009 Heartland Cyclone 5th Wheel Trailer in June of 2008
- Paying the balance of \$425,000 and trading in the motor home she purchased 12 months earlier for a new motor home costing \$2,108,000 in July of 2008
- \$146,371 for a 2009 Kenworth T800 Tractor in November of 2008
- \$140,000 for a 2009 Freightliner Truck in November of 2008.

Summary:

Total Stolen Apr. '08: \$310,087

Total Stolen in 2008: \$5,637,546

Total Stolen 1991-2008: \$36,295,841

2009 Liberty Coach "Elegant Lady" motorhome purchased by Crundwell in 2008 for \$2.1 million. (Source: www.examiner.com)



Interior photos of 2009 Liberty Coach “Elegant Lady” motorhome purchased by Crundwell in 2008 for \$2.1 million. (Source: www.examiner.com)

2009

4/13/2009 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$1,268,444.

Comm. Bridgeman: the bleak outlook at this time creates the possibilities of no part-time employees this summer, possible layoffs of full-time employees, hours of work cut, services cut, and possible cuts in benefits.

Comm. Bridgeman: the State is six months behind in paying us our tax monies.

Chief Shipman:

- Emergency Vehicle Fund cut \$38,000 for ambulance equipment
- \$1,000 for radio equipment
- \$2,000 for EV training.

Comm. Bridgeman advised there still needs to be more cuts and to have all recommendations turned in to Rita Crundwell as soon as possible.

4/28/2009 - City of Dixon, Special Council Meeting

Comm. Bridgeman : There is no money for street work, more cuts are needed and services will have to be cut in some areas such as mowing, plowing on Sunday nights and repairs may be delayed.

5/26/2009 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Surplus of \$39,194, there will be no layoffs but there are no replacement employees for resignations and/or department transfers.

Comm. Bridgeman: If anyone had any future questions, please see him or Rita Crundwell.

Rita Crundwell Activity

Crundwell stole \$5,599,247 from the City of Dixon in 2009.

Crundwell used the stolen money to pay for personal expenses, including:

- Wiring \$105,097 to purchase a home in Englewood Florida in April of 2009
- \$258,698 to purchase a 2009 Featherlite horse trailer in April of 2009
- \$30,421 to purchase a 2005 Ford Thunderbird in June of 2009
- \$56,646 to purchase a 2009 Chevy Silverado pickup truck in August of 2009
- \$225,000 to purchase a horse named PIZZAZZY LADY in September of 2009
- \$110,020 to purchase a horse named UNFORGETTABLE in December of 2009.

Summary

Total Stolen Apr. '09: \$668,684

Total Stolen in 2009: \$5,599,247

Total Stolen 1991-2009: \$41,895,089



Crundwell's home in Florida, 821 E. 5th Street, Englewood, Florida. (Law Enforcement photo dated 04/18/12).



PIZZAZZY LADY
(Source: www.allenequine.com)



UNFORGETTABLE
(Source: www.pleasurehorse.com)

2010

4/12/2010 - City of Dixon, Special Council Meeting

Comm. Bridgeman: Deficit at \$3,744,012, all municipalities are in a state of financial difficulty with tax monies being down as the State is four months behind in their payments.

Comm. Bridgeman stated the City's working cash was almost down to zero and there was a lot of juggling of funds to meet payrolls.

Comm. Bridgeman: Drastic cuts are needed. He stated that cutting budgets means cutting services like snowplowing, cemetery mowing, fewer summer part-time workers and no new capital equipment purchases.

Comm. Bridgeman added that Cemetery and Street Departments are already working with fewer personnel.

4/26/2010 - City of Dixon, Special Council Meeting

Comm. Bridgeman stated that he met with Rita Crundwell and the decision to go with tax anticipated warrants was made since the City is short on monies owed by the State.

Comm. Bridgeman stated that they would have to pay interest on the warrants.

Comm. Bridgeman advised that new budget figures should be back to Rita by May 7 and that if anyone has any ideas to please call him, Shawn or Rita.

5/10/2010 - City of Dixon, Special Council Meeting

Comm. Bridgeman stated that additional cuts of \$1,025,844 were made but that there is still a deficit of \$1,017,518 .

Comm. Bridgeman advised that the City is borrowing \$1 million and had to pay interest on the loan.

Rita Crundwell Activity

Crundwell stole \$5,640,518 from the City of Dixon in 2010. Crundwell used the stolen money to pay for personal expenses, including:

- Paying a construction company \$454,979 to build a new home on Dutch Road in Dixon, Illinois from January to June of 2010
- \$34,168 to purchase a 2010 GMC Terrain in February of 2010;
- \$75,844 to purchase a 2010 Elite Trailer in April of 2010
- \$271,750 to a builder in Florida to completely renovate her home in Englewood Florida;
- \$99,079 toward Crundwell's American Express Card bill for the month of September alone, which included charges of \$29,787 for jewelry purchased in August of 2010.
- Crundwell used stolen funds to pay \$561,491 to American Express in 2010 for personal credit card expenses.

For every day she worked at the City of Dixon in 2010, Crundwell stole an average of \$37,478.52.

Summary

Total Stolen Apr. '10: \$501,625

Total Stolen in 2010: \$5,640,518

Total Stolen 1991-2010: \$47,535,608



Crundwell's home built in 2010 for over \$454,979, located at 1403 Dutch Road in Dixon, Illinois. Crundwell's nephew lived in the home. (Source: Law Enforcement photo dated 01/17/13).

Dakota Takes You Inside Rita Crundwell's Birthday Bash

Dakota Diamond Griffith

Published 01/11/2010 - 7:14 p.m. CDT

Although it was a frigid 35 degrees, Rita Crundwell's annual birthday party heated up the beachfront patio Sunday night at the famous Sharky's restaurant in Venice Beach, Florida. Industry leaders traveled to Venice from many parts of the country just to attend the party which was one of the premier events of the year. It was just the shot in the arm needed by weary horse show exhibitors who have been braving unseasonably cold temperatures for several weeks during the Florida Winter Circuits.

[Click here](#) for pictures that Dakota took from the birthday party!

Always the gracious host, Jim McKillips treated partygoers to an outstanding buffet consisting of delectable jumbo shrimp cocktail, caesar salad, prime rib, penne pasta with chicken and vegetables, coconut shrimp and other mouthwatering entrees. Guests also enjoyed great live music by an "island" style band that got a lot of people on their feet. Jack Kaplow, the young son of Meg and Evan, showed everyone a move or two. One thing was for sure – a good time was had by all.

Rita was gorgeous as always in one of her trademark "must have" coats. Where does she find these items? In my next life, I want Rita and Hannah Casper to be my personal shoppers. Not surprising, it got a little crazy at the Casper, Griffith and Hawkins table! For once, it wasn't the kids causing the ruckus (whew!) However, there were three Moms who were having way too much fun and clearly needed a chaperone.

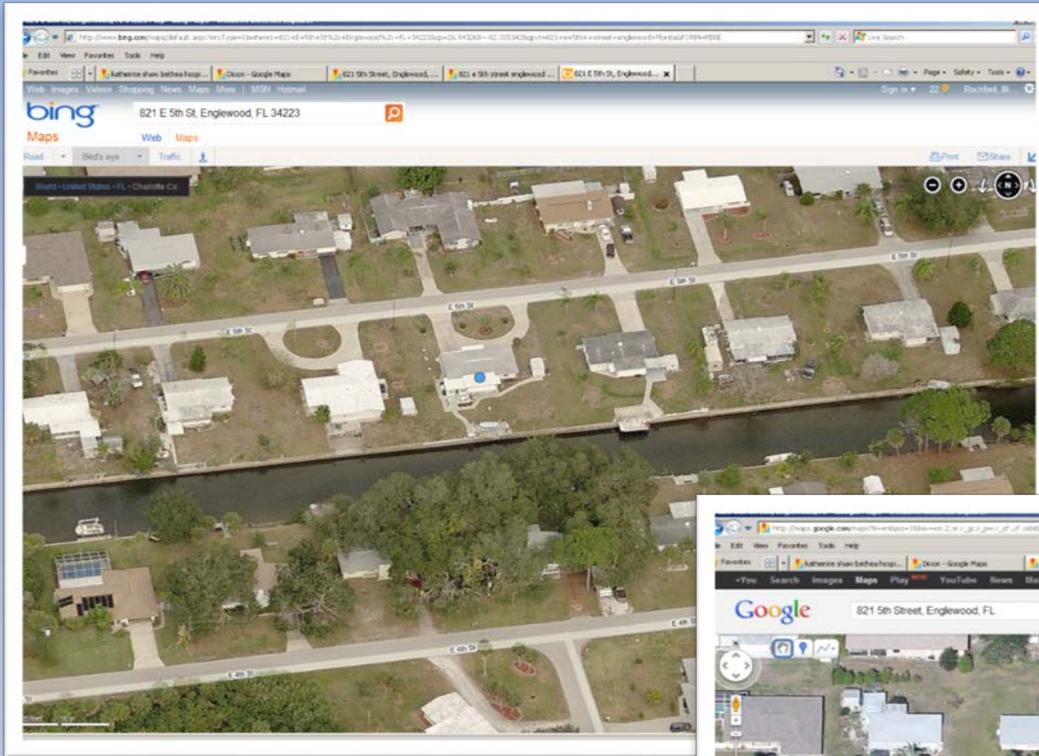
The best news is that Rita is hosting the exhibitor's party at Fox Lea this week, so never fear; there are more good times to come. Except for Rita who stole the show, Jim McKillips' beautiful family upstaged the event with daughter Tracy, son-in-law Ray, grandkids, and sister Meri in for the fun.

The Winter Circuit festivities continue at Fox Lea Farm. Wish you were here, but if you aren't, never fear; I'll be here to keep you posted. It's a tough job, but somebody has to do it! :-)

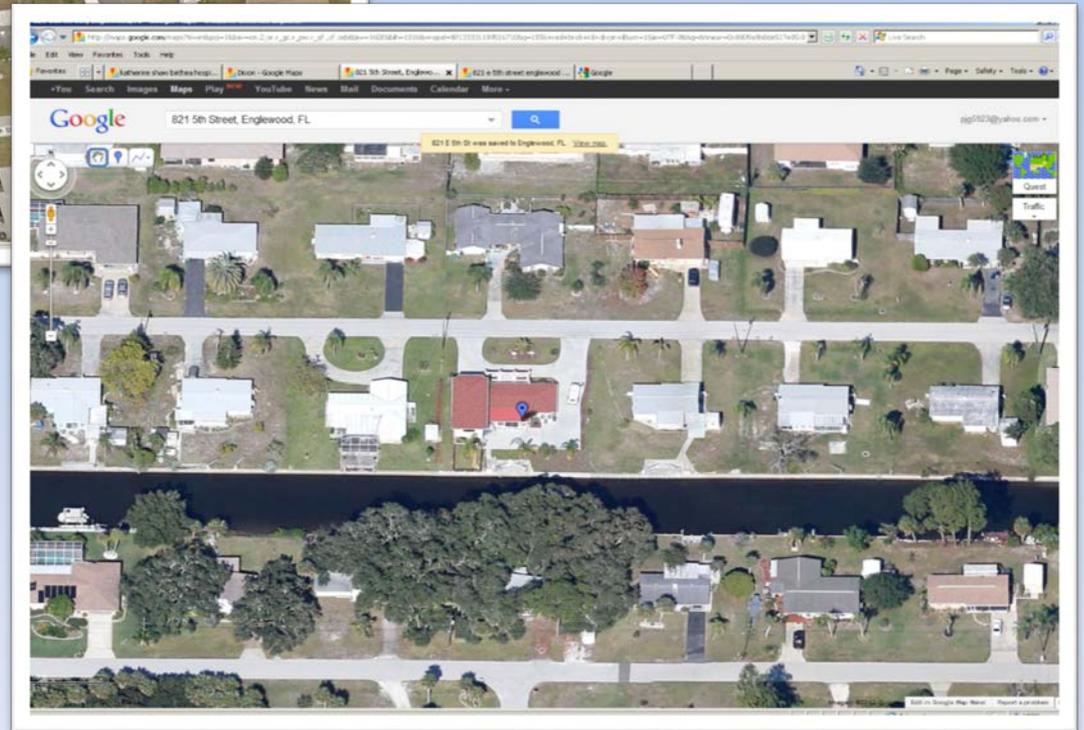
[Click here](#) for great pictures from the party.



January, 2010: Crundwell uses stolen City of Dixon funds to host her annual birthday in Venice Beach, Florida



Above public source photo shows Crundwell's residence at 821 E. 5th Street, Englewood, Florida prior to the renovation (Crundwell's residence is marked by a blue dot).



Above public source photo shows Crundwell's Florida residence post-renovation (Crundwell's residence is marked by a blue pin).



Public source photograph of Crundwell's Florida residence, 821 E. 5th Street, Englewood, Florida. Photograph shows residence post-renovation.

2011

4/11/2011 - City of Dixon, Special Council Meeting

Comm. Bridgeman: City is facing serious problems such as no income tax monies from the State. He advised that there have been employee cuts in departments and the current deficit is at \$254,350.

4/18/2011 - City of Dixon, Special Council Meeting

Comm. Contreras: Would like to repave all of the streets in City of Dixon but they did not have sufficient funds. Request to put out bids to repave 40 blocks of City streets at an estimated cost of around \$800,000.

5/9/2011 - City of Dixon, Special Council Meeting

Comm. Blackburn: Deficit at \$254,350. Comm. Blackburn advised that the State of Illinois is lagging behind approximately \$600,000-\$700,000 in tax monies, and the State is entertaining the idea of further reductions.

Comptroller Rita Crundwell was asked about the City's cash flow. She advised the situation is terrible and stated the last income tax payment received from the State was for July 2010.

Comm. Blackburn advised everyone to get their additional budget cuts to Rita by May 20th.

Rita Crundwell Activity

Crundwell stole \$4,683,873 from the City of Dixon in 2011.

Crundwell used the stolen money to pay for personal expenses, including:

- \$35,314 in September of 2011 for the purchase of a 2012 Featherlite Trailer
- \$62,403 in November of 2011 for the purchase of a 2012 Chevy Silverado 3500 pickup truck
- Crundwell used the stolen money to pay American Express \$386,740 in personal credit card expenses accrued in 2011 .

Summary

Total Stolen Apr. '11: \$418,963

Total Stolen in 2011: \$4,683,873

Total Stolen 1991-2011: \$52,219,481

Meri-J Mariachi Bash at 2011 AQHA World Show

November 14, 2011

Exhibitors enjoyed an authentic seven-piece mariachi band, fine Mexican cuisine, and plenty of fun this evening at the 2011 AQHA World Championship Show over at Meri-J Ranch's stalls.

A big thank you to Jim McKillips and Rita Crundwell for a fun and festive evening.



<http://www.equinechronicle.com/ireports/meri-j-mariachi-bash-at-2011-aqha-world-show.html>

2012

3/15/2012

**Letter from Dave Blackburn to
Department Heads regarding cash flow
problems:**

"Payments expected from the State of Illinois seem to have slowed down even more than before and since we have no reserves it is borderline catastrophic... We have absolutely no money so budget numbers don't really matter at this time. Unless something is absolutely essential to today or tomorrow's operation we need to hold off on any and all purchases." cc: Rita Crundwell

Rita Crundwell Activity

Crundwell stole \$331,736 in March of 2012, the same month that Comm. Blackburn sent out the letter.

Crundwell stole \$1,520,913 from the City of Dixon in 2012 before her arrest on April 17, 2012.

Crundwell used the stolen money to pay for personal expenses, including:

- **\$100,452 in personal credit card bills in February of 2012.**

Summary

Total Stolen Mar. '12: \$331,736

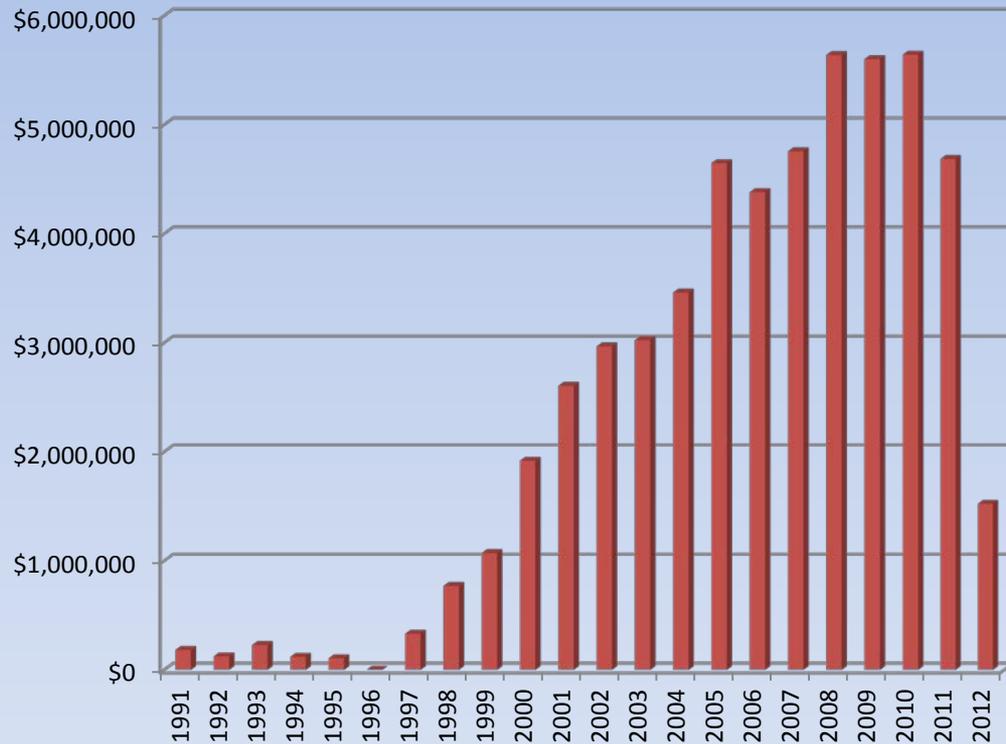
Total Stolen in 2012: \$1,520,913

Total Stolen 1991-2012: \$53,740,394

Loss Summary

City of Dixon - Losses by Year
 PO Box 386, RSCDA, Dixon, IL 61021
 Fifth Third Bank - A/C #4003609530 - Losses **

Year	Loss
1991	181,000.21
1992	121,367.90
1993	225,287.67
1994	117,281.04
1995	103,664.92
1996	-
1997	328,622.36
1998	767,487.58
1999	1,069,479.88
2000	1,916,676.21
2001	2,603,208.92
2002	2,964,461.56
2003	3,023,120.22
2004	3,458,701.34
2005	4,645,032.54
2006	4,379,004.05
2007	4,753,898.96
2008	5,637,546.34
2009	5,599,247.94
2010	5,640,518.85
2011	4,683,873.31
2012	1,520,913.01
<hr/>	
<u>53,740,394.81</u>	



** Missing bank account information from November 1995, all of 1996, and January through March of 1997.
 (Highlighted years are missing one or more months of data)



Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Vehicles located at Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12). Vehicles were seized and forfeited.



Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photos dated 04/17/12).



Pool area at Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Dining room at Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Trophy Shelf at Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Living room at Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



2nd bedroom with tanning bed at Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Renovated lower level garage at Rita Crundwell's residence, 1679 US Highway 52 in Dixon, Illinois (Law Enforcement photo dated 04/17/12).



Vehicles owned by Crundwell that were located and seized at the Meri-J Ranch, 1114 E. Colley Road in Beloit, Wisconsin. (Law Enforcement photos dated 04/17/12).



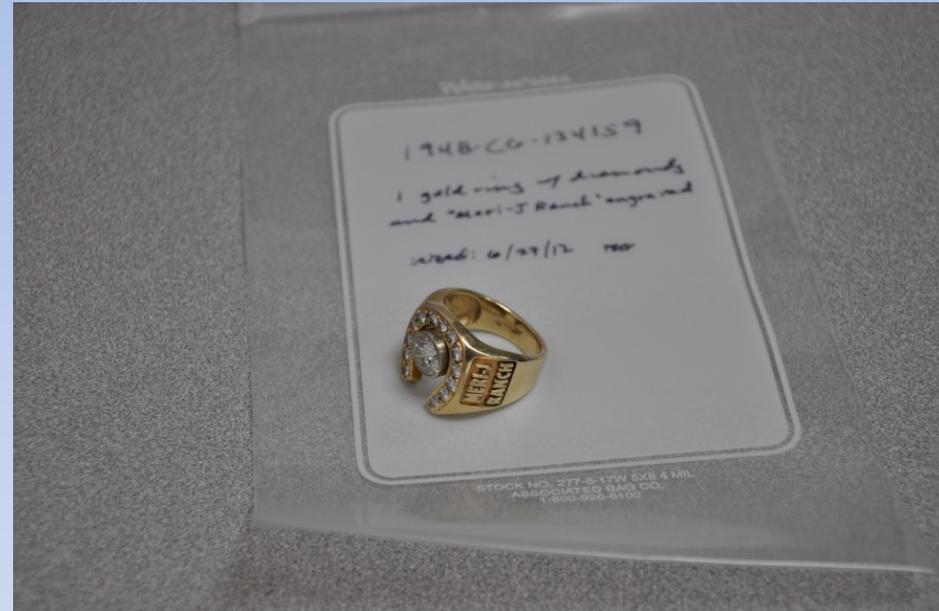
Vehicles owned by Crundwell that were located and seized at the Meri-J Ranch, 1114 E. Colley Road in Beloit, Wisconsin. (Law Enforcement photos dated 04/17/12).



Vehicles owned by Crundwell that were located and seized at the Meri-J Ranch, 1114 E. Colley Road in Beloit, Wisconsin. (Law Enforcement photos dated 04/17/12).



Cobalt 25LS Deck Boat purchased by Crundwell with stolen funds. Seized by law enforcement in Fontana, Wisconsin. (Law Enforcement photo dated 06/27/12).



Gold and diamond ring purchased by Crundwell with stolen funds. Seized by law enforcement in Beloit, Wisconsin. (Law Enforcement photo dated 06/27/12).



Young Chang piano purchased by Crundwell with stolen funds. Located at Crundwell's residence, 1679 US. Highway 52 in Dixon, Illinois (Law Enforcement photo dated 05/31/12).



RC Quarter Horse Ranch, 1556 Red Brick Road, Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



RC Quarter Horse Ranch, 1556 Red Brick Road, Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



RC Quarter Horse Ranch, 1556 Red Brick Road, Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



RC Quarter Horse Ranch, 1556 Red Brick Road, Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Trophy Room at Rita Crundwell's ranch, 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Trophy Room at Rita Crundwell's ranch, 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Trophy Room at Rita Crundwell's ranch, 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Trophy Room at Rita Crundwell's ranch, 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Horse stalls at Rita Crundwell's ranch, 1556 Red Brick Road in Dixon, Illinois. (Law Enforcement photo dated 04/17/12).



Photo of 1967 Corvette and 2005 Ford Thunderbird located at Crundwell's residence in Englewood, Florida. (Law Enforcement photo dated 04/18/12).



Photo of 2005 Ford Thunderbird located at Crundwell's residence in Englewood, Florida. (Law Enforcement photo dated 04/18/12).



Photo of 1967 Corvette located at Crundwell's residence in Englewood, Florida. (Law Enforcement photo dated 04/18/12).



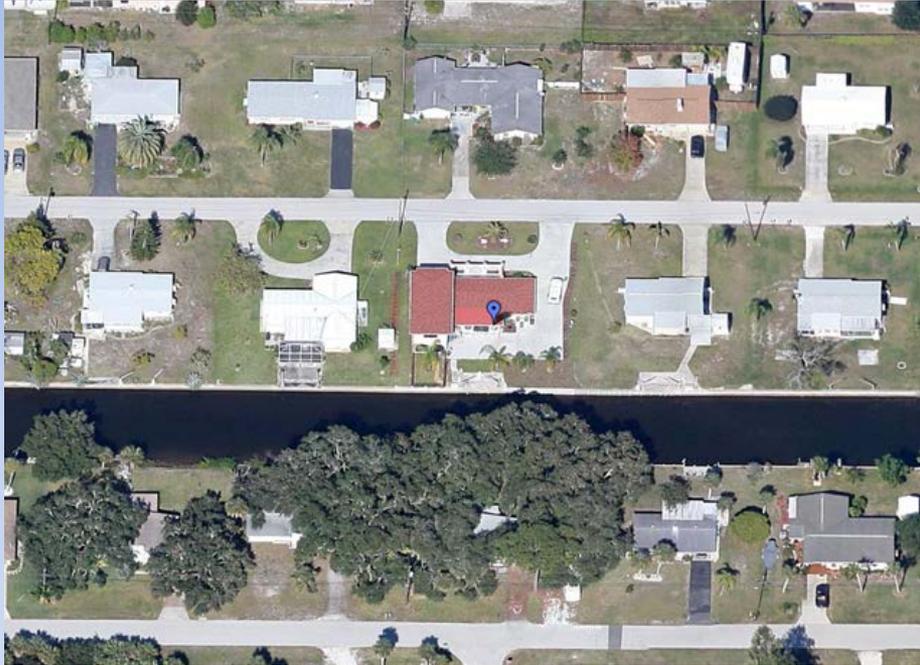
Photo of Playbuoy Pontoon boat located at The Harbor at Lemon Bay in Englewood, Florida. (Law Enforcement photo dated 04/18/12).



Photos of Crundwell's motor home purchased in 2008 for \$2.1 million. (Public source material).



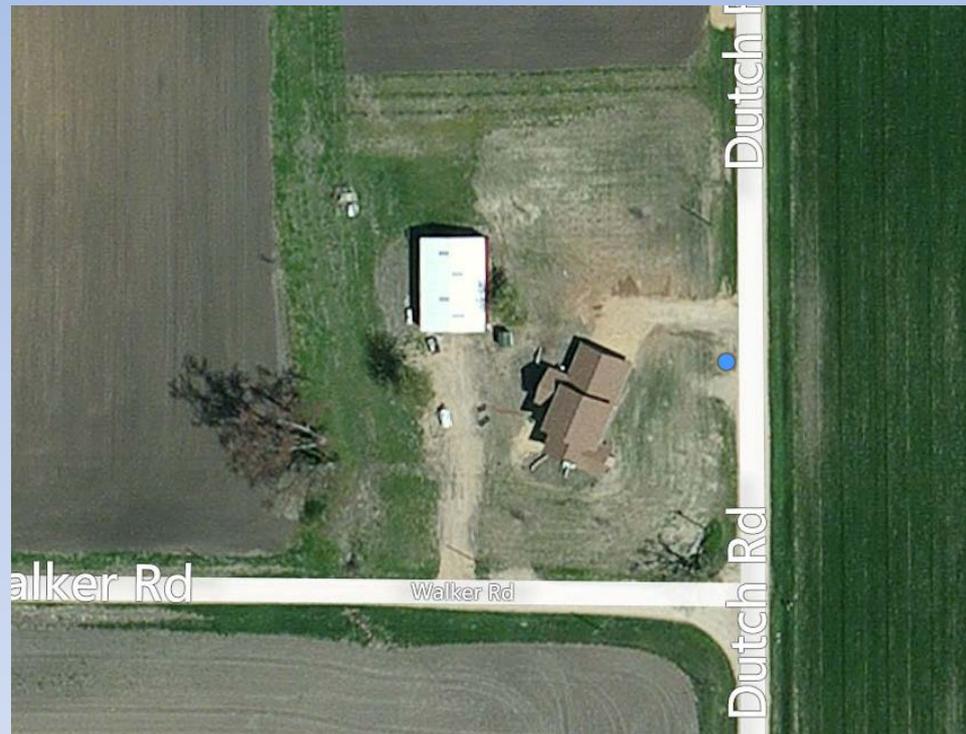
Photos of Crundwell's motor home purchased in 2008 for \$2.1 million. (Public source material).



Overhead view of Rita Crundwell's residence at 815 E. 5th Street in Englewood, Florida. (Public source material).



Rita Crundwell's residence at 815 E. 5th Street in Englewood, Florida. (Law Enforcement photo dated 04/18/12).



Overhead view of Rita Crundwell's home at 1403 Dutch Road in Dixon, Illinois. (Public source material).



Rita Crundwell's home at 1403 Dutch Road in Dixon, Illinois. (Law Enforcement photo dated 04/04/12).



Overhead view of Rita Crundwell's ranch at 1556 Red Brick Road in Dixon, Illinois. (Public source material).



Overhead view of Rita Crundwell's residence at 1679 US Highway 52 in Dixon, Illinois. (Public source material).



Rita Crundwell and Pizzazy Lady at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2011. (Source: online.wsj.com).



RC Quarter Horses stall display at All American Quarter Horse Congress in Columbus, Ohio. October 2011. (Source: www.gohorsheshow.com).



Rita Crundwell at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2011. (Source: www.chicagomag.com).



Rita Crundwell at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2010. (Source: equinechronicle.com).



Rita Crundwell and Sacred's Executionist at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2010. (Source: www.aqha.com).



Rita Crundwell at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2005. (Source: ebarrelracing.com)



Rita Crundwell at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. November 2009. (Source: americashorsedaily.com).



Rita Crundwell at her own birthday party in Venice Beach, Florida. January 2010. (Source: www.gohorseshow.com).



Rita Crundwell at World Champion Quarter Horse Show in Oklahoma City, Oklahoma. (Source: equinechronicle.com).



Two of 228 pieces in the Crundwell collection that will be sold by the U.S. Marshals in a live auction on February 23, 2013 in Fort Worth, Texas. (Source: U.S. Marshals Service).





Two of 228 pieces in the Crundwell collection that will be sold by the U.S. Marshals in a live auction on February 23, 2013 in Fort Worth, Texas. (Source: U.S. Marshals Service).





Two of 228 pieces in the Crundwell collection that will be sold by the U.S. Marshals in a live auction on February 23, 2013 in Fort Worth, Texas. (Source: U.S. Marshals Service).





Two of 228 pieces in the Crundwell collection that will be sold by the U.S. Marshals in a live auction on February 23, 2013 in Fort Worth, Texas. (Source: U.S. Marshals Service).





Four of 228 pieces in the Crundwell collection that will be sold by the U.S. Marshals in a live auction on February 23, 2013 in Fort Worth, Texas. (Source: U.S. Marshals Service).

Asset Seizure and Forfeiture

- In addition to more than 400 horses, located in 14 states, and all of their equipment, among the assets seized and forfeited were Crundwell's two residences and horse farm in Dixon, a home in Englewood, Fla., 80 acres of vacant land in Lee County

Asset Seizure and Forfeiture

- Other assets seized and forfeited:
 - a 2009 luxury motor home
 - more than a dozen trucks, trailers and other motorized farm vehicles
 - a 2005 Ford Thunderbird convertible
 - a 1967 Chevrolet Corvette roadster
 - a pontoon boat
 - Jewelry
 - approximately \$224,898 in cash from two bank accounts.

Asset Seizure and Forfeiture

- By the time of Crundwell's sentencing, less than 10 months after her arrest, over \$12.3 million was recovered from online and live auctions of approximately 400 quarter horses, vehicles, trailers, tack, and a luxury motor home, and personal belongings
- The net proceeds from the forfeited property – over \$9.2 million – are being held in escrow pending further proceedings on restitution to the City of Dixon.

Vehicles Seized by FBI/USMS and Subject to Forfeiture:

- 2012 Chevrolet Silverado K3500 LTZ Crew Pickup
- 2012 Featherlite MFG Inc. 4941 Perfectfit Car Trailer
- 2005 Chevrolet Silverado K1500 Pickup
- 2009 Featherlite MFG Inc. 8581 Perfectfit/Horse Trailer
- 2009 Prevost Liberty Coach Motor Home
- 2010 GMC Terrain
- 2009 Kenworth T800 Tractor Truck
- 2009 Heartland Cyclone Fifth Wheel Trailer
- 2009 Chevrolet Silverado K2500HD
- 2004 Elite Manufacturing Trailer
- 2009 US Cargo Eliminator Trailer
- 2010 Elite Manufacturing Trailer
- 2007 Chevrolet Silverado K3500
- 2009 Freightliner M2 Medium Duty J
- 2005 Ford Thunderbird
- 1967 Chevrolet Corvette Convertible
- 2000 Playbuoy Pontoon boat
- 2004 Featherlite MFG Inc. Trailer
- 2004 Featherlite MFG Inc. Trailer
- 2007 John Deere 6201 Gator
- 2007 John Deere 850 Gator
- 2007 John Deere 757 Mower
- 2009 John Deere 5065E Tractor
- 2011 John Deere X324 Riding Mower
- 1998 25' Cobalt boat
- 2002 Lexus SC430 Convertible
- 2007 Hummer H2 SUT

Vehicles Seized by FBI/USMS and Subject to Forfeiture (continued):

- 2003 GMC Sierra K3500
- 2002 Mac Lander Trailer
- 2006 Road Boss Dump Trailer
- 2004 Jeep Liberty
- 1995 Dodge Ram 1500 Pickup
- 2000 International 4000
- 2004 Stonewall Trailer
- 2001 Peterbilt Conventional 330
- 2004 Featherlite MFG Inc. Trailer
- 2002 Four Star Industries, Inc. Trailer
- 2002 Four Star Industries, Inc. Trailer
- 2003 Pace American Inc. Trailer
- 2002 PJ Trailer Manufacturing Inc. Trailer
- 2003 Cargo Express Trailer
- 2007 TN Trailer
- 2008 Bobcat S250
- Bobcat S250
- Bobcat V471
- 2003 Freightliner Medium CONV FL112
- 2005 Chevrolet Silverado K2500HD
- 2003 Chevrolet Silverado C3500
- Polaris Ranger ATV
- 2002 Moskito RX Scooter
- 2008 EZ-Go Golf Cart
- 2011 Golf Cart "Star Caddy"
- 2012 Chevy Silverado Pickup Truck

Lessons Learned

- Trust if you must, but verify
 - successful fraudsters like Rita Crundwell are experts at ingratiating themselves with their co-workers to make it difficult for those same individuals to voice concerns of potential wrongdoing
- Institute Controls
 - Separation of duties/Cross training
 - Management review

QUESTIONS?