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Western District of North Carolina**

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**ONGOING FEDERAL INVESTIGATION LEADS TO CHARGES AGAINST THREE
FORMER TOP BUNCOMBE COUNTY OFFICIALS**

***Separate Superseding Indictment Charges Former County Manager with Multiple Tax
Violations***

ASHEVILLE, N.C. – Today, a federal grand jury in Asheville returned a criminal bill of indictment, charging three former top Buncombe County officials, Wanda Skillington Greene, 67, Jon Eugene Creighton, 66, and Amanda (Mandy) Louise Stone, 59, all of Buncombe County, with wire fraud and aiding and abetting; conspiracy to commit an offense against the United States; receipt of bribes and kickbacks and aiding and abetting; and federal program fraud and aiding and abetting, announced Andrew Murray, U.S. Attorney for the Western District of North Carolina.

“Rooting out public corruption at all levels of government is one of my Office’s most critical responsibilities,” said U.S. Attorney Murray. “I want to thank the FBI, IRS-Criminal Investigation Division, and the North Carolina State Bureau of Investigation for their incredible diligence and commitment to conducting a thorough and objective investigation, which has led to today’s indictment.”

“When public officials put aside the best interest of the American public and choose to line their own pockets, we are all impacted. These type of crimes are at the center of the fight against public corruption. The FBI is dedicated to working with our law enforcement partners in the Western District of North Carolina to root out public corruption at any level of office,” said John Strong, Special Agent in Charge of the FBI Charlotte Field Office.

“The SBI considers investigations involving violations of the public trust to be among our highest priority cases. We were privileged to work with the FBI, IRS-CI and the U.S. Attorney’s Office of the Western District of North Carolina to hold these defendants accountable for their actions,” said Director Robert L. Schurmeier of the North Carolina State Bureau of Investigation (SBI).

According to allegations contained in the 32-count criminal bill of indictment:

Wanda Greene was appointed as County Manager for Buncombe County (the County) in 1997, and remained in that position until her retirement in June 2017. As County Manager, Greene had the authority to approve the awarding of certain contracts between the County and private contractors, including contracts for engineering and consulting services.

Creighton began working for Buncombe County in March 1982. From 1985 until he retired in December 2017, Creighton was the Director of the County's Department of Planning and Development. As part of his duties, Creighton negotiated contracts between the County and private contractors, and was responsible for signing such contracts on behalf of the County. From 1997 until his retirement, Creighton also had a dual appointment as Assistant County Manager.

Stone began working for Buncombe County in the 1980s. In 1994, she became the Assistant Director of County's Department of Social Services, and later became Department's Director in 2001. Beginning 2005, Stone also had a dual appointment, along with Creighton, as Assistant County Manager. She held both positions until she became County Manager upon Greene's retirement. Stone retired from the County in June 2018.

An unnamed individual, identified in the indictment as "the Contractor," was a licensed Professional Engineer. From the mid-1980s through 2018, the Contractor was the agent and contractor for three businesses (Company A until 2014, Company B during 2014 through 2016, and his own company, Company C, from 2014 through 2018). During the relevant time period, the Contractor obtained a combined total of more than \$15 million in contracts with Buncombe County for consulting and engineering services.

During the relevant time period, Greene, Creighton and Stone used their official positions to enrich and benefit themselves, and, in doing so, they deprived Buncombe County citizens of their right to the honest services of the defendants. The kickback and bribery scheme the defendants engaged in involved, among other things, multiple, all-expense paid trips, meals, tickets to sporting events, and spa treatments paid for by the Contractor. The defendants solicited and accepted these gifts, payments, and other things of value from the Contractor, in exchange for awarding County contracts to the Contractor and the businesses he was affiliated with at the time.

Prior to 2014, Greene, Creighton, Stone, and other County personnel, went on trips that were in some way connected to legitimate County business. During these trips, the Contractor provided them with such things of value as expensive meals, wine, and other excursions. By 2014, Greene, Creighton, and Stone began to solicit and accept trips, valuable gifts, and other things of value from the Contractor that were entirely unrelated to any legitimate County business. The all-expense paid pleasure trips were to destinations within the U.S. such as Key West, Boston, Martha's Vineyard, Napa Valley, and the Grand Canyon, and to international cities, including Vienna, Budapest, Cartagena, and Vancouver. At some time in 2015, Greene prepared a written list of specific places and dates she wanted to travel, and instructed Creighton to pass the list to the Contractor, which Creighton did. On June 6, 2016, during a text message exchange with Creighton and Stone about future trips to be paid by the Contractor, Greene wrote: "Agent needs to know we love and want pool and dinner on island . . . We should think Gulf Coast or Bahamas for January trip and celebrate Mandy's birthday at a new place."

On some occasions, the defendants charged the County directly for airfare for trips that coincided with official meetings happening in the vicinity. However, the majority of the travel arrangements were made using the Contractor's credit card information, which the defendants had access to, or, in Creighton's case, using the Contractor's actual credit card. During these trips, the Contractor would generally charge the additional expenses to his credit cards when he accompanied the County employees. For the trips during which the Contractor did not accompany the County employees, the defendants used a copy of the Contractor's credit card to pay for any travel expenses they incurred.

At other times, in order to earn extra rewards points, Creighton used his own credit card to pay for lodging and other expenses, for which he was later reimbursed by the Contractor. As another way to help Creighton earn more rewards points, during some of the trips, the Contractor stayed at separate hotels, paid for the rooms using Creighton's credit card, and then reimbursed Creighton for those charges. In order for the Contractor and Creighton to be able to use each other's credit cards, Greene and Creighton caused personnel in the County's Human Resources Department to create false official Buncombe County employee identification cards, one with the Contractor's photograph but with Creighton's name and title, and the other with Creighton's photograph but with the Contractor's name and a false title as a County employee.

In addition to receiving these all-expense paid vacations from the Contractor, the defendants also took advantage of these trips to defraud the County in at least two other ways: First, the defendants did not use annual leave for these trips, but rather falsely claimed that they traveled on official County business, and claimed to have worked for the duration of the trip. This enabled them to preserve their hours of annual leave, which they later "sold" to the County, thereby receiving monetary payments to which they were not legally entitled.

Specifically, at various times between 2011 and 2017, the County paid Greene more than \$360,000 for approximately a total of 3,216 hours of her unused leave, some of which was related to these trips. Similarly, Stone received more than \$130,000 from the County for unused leave between 2007 and her retirement in 2018, and Creighton received more than \$89,000 for unused leave between 2011 and his retirement in 2017. A portion of their unused hours for which they were paid was related to these trips.

The second way in which the defendants used their trips to defraud the County was by submitting reimbursement requests for the cost of meals and incidental expenses they supposedly incurred during their travel, even though their meals and expenses were actually being paid for by the Contractor.

Furthermore, Buncombe County often unwittingly funded the bribes and kickbacks of its own officials. The Contractor kept detailed internal records of the costs of the tickets, lodging, meals, and other benefits that he provided to the defendants on each trip. The Contractor then tied these expenses to the various projects for which he had obtained contracts with the County on behalf of Companies A, B, and C. The Contractor often sent invoices to, and was reimbursed by, the County, in amounts approximate of those travel expenses, claiming that the invoices were for the completion of specific portions of the relevant contract, instead of the improper expenditures.

Thus, by paying these invoices, which often required Creighton's approval, the County was essentially reimbursing the Contractor for the cost of the kickbacks to its County officials.

In addition to the criminal charges, the indictment contains a notice of forfeiture and probable cause, seeking a forfeiture money judgment against the defendants in the amount of at least \$400,000, which is the amount constituting the proceeds of the violations alleged in the indictment.

Greene, Creighton, and Stone have been ordered to appear on a summons. Each wire fraud and aiding and abetting charge carries a maximum penalty of 20 years in prison and a \$250,000 fine. The conspiracy charge carries a maximum prison term of five years and a \$250,000 fine. The receipt of bribes and kickbacks and aiding and abetting charge and the federal program fraud charge each carry a maximum prison term of 10 years and a \$250,000 fine.

Additional Charges Brought Against Wanda Greene

A separate superseding indictment also charges Greene with six counts of tax fraud, in addition to the pending wire fraud, federal program fraud, and money laundering charges filed against her on June 5, 2018, in connection with a \$2.3 million scheme involving the purchase of whole life insurance policies for herself and other county employees using misappropriated Buncombe County funds.

The superseding indictment alleges that Wanda Greene filed with the IRS false federal tax returns for years 2012 through 2017. Specifically, the indictment alleges that, for each corresponding year, Greene filed false Individual Income Tax Returns, Forms 1040, which misstated her taxable income, and failed to report to the IRS additional income she received through her embezzlement and whole life insurance policies schemes.

Also pending, are the federal charges filed against Greene in April 2018, for misusing government credit cards to make approximately \$200,000 worth of improper purchases.

All charges contained in the indictments are allegations. The defendants are innocent until proven guilty beyond reasonable doubt in a court of law.

In making today's announcement U.S. Attorney Murray commended the work of the FBI, IRS-CI and the SBI for their investigation of this case, and noted that the investigation into corruption within the Buncombe County Government is ongoing.

Assistant United States Attorney Richard Edwards of the U.S. Attorney's Office in Asheville is in charge of the prosecution.

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