

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

ROBERTA SHAFFER

Criminal No. 3:23-19-2

CERTIFICATION AND NOTICE FOR FILING PRETRIAL MOTIONS

I hereby certify that I have been notified by the United States Magistrate Judge that all pretrial motions must be filed within fourteen (14) days of Arraignment unless the Court extends the time upon written application made within said fourteen (14) day period.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attorney for Defendant  
ROBERTA SHAFFER

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

ROBERTA SHAFFER

Criminal No. 3:23-19-2

ARRAIGNMENT PLEA

Defendant ROBERTA SHAFFER

being arraigned, pleads \_\_\_\_\_

in open Court this \_\_\_\_\_ day of

\_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
(Defendant's Signature)

\_\_\_\_\_  
(Attorney for Defendant)

CRIMINAL CASE INFORMATION SHEET

3:23-cr-19-2

Pittsburgh \_\_\_\_\_ Erie \_\_\_\_\_ Johnstown X

Related to No. \_\_\_\_\_ Judge \_\_\_\_\_  
(All criminal prosecutions arising out of the same criminal transaction or series of transactions are deemed related).

- CATEGORY:
- 1. \_\_\_\_\_ Narcotics and Other Controlled Substances
  - 1a. \_\_\_\_\_ Narcotics and Other Controlled Substances  
(3 or more Defendants)
  - 2. X Fraud and Property Offenses
  - 2a. \_\_\_\_\_ Fraud and Property Offenses  
(3 or more Defendants)
  - 3. \_\_\_\_\_ Crimes of Violence
  - 4. \_\_\_\_\_ Sex Offenses
  - 5. \_\_\_\_\_ Firearms and Explosives
  - 6. \_\_\_\_\_ Immigration
  - 7. \_\_\_\_\_ All Others

Defendant's name: Roberta Shaffer

Is indictment waived: \_\_\_\_\_ Yes X No

Pretrial Diversion: \_\_\_\_\_ Yes X No

Juvenile proceeding: \_\_\_\_\_ Yes X No

Defendant is: \_\_\_\_\_ Male X Female

Superseding indictment or information X Yes \_\_\_\_\_ No

Previous case number: 3:23-19

If superseding, previous case was/will be:

- \_\_\_\_\_ Dismissed on defendant's motion
- X Dismissed on government's motion
- \_\_\_\_\_ After appellate action
- \_\_\_\_\_ Other (explain)

County in which first offense cited occurred: Clearfield County

Previous proceedings before Magistrate Judge: \_\_\_\_\_

Case No.: \_\_\_\_\_

PLEASE INCORPORATE MAGISTRATE CASE WITH CRIMINAL CASE



I certify that to the best of my knowledge the above entries are true and correct.

DATE: September 24, 2024

*s/ Nicole Vasquez Schmitt*  
NICOLE VASQUEZ SCHMITT  
Assistant U.S. Attorney  
PA ID No. 320316

*s/ Summer F Carroll*  
SUMMER F. CARROLL  
Special Assistant United States Attorney  
PA ID No. 205466

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

JOHN "HERM" SUPLIZIO

Criminal No. 3:23-19-1

CERTIFICATION AND NOTICE FOR FILING PRETRIAL MOTIONS

I hereby certify that I have been notified by the United States Magistrate Judge that all pretrial motions must be filed within fourteen (14) days of Arraignment unless the Court extends the time upon written application made within said fourteen (14) day period.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attorney for Defendant  
JOHN "HERM" SUPLIZIO

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

JOHN "HERM" SUPLIZIO

Criminal No. 3:23-19 ✓ |

ARRAIGNMENT PLEA

Defendant JOHN "HERM" SUPLIZIO

being arraigned, pleads \_\_\_\_\_

in open Court this \_\_\_\_\_ day of

\_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
(Defendant's Signature)

\_\_\_\_\_  
(Attorney for Defendant)

CRIMINAL CASE INFORMATION SHEET

3:23-cr-19-1

Pittsburgh \_\_\_\_\_ Erie \_\_\_\_\_ Johnstown X

Related to No. \_\_\_\_\_ Judge \_\_\_\_\_  
(All criminal prosecutions arising out of the same criminal transaction or series of transactions are deemed related).

- CATEGORY:
- 1. \_\_\_\_\_ Narcotics and Other Controlled Substances
  - 1a. \_\_\_\_\_ Narcotics and Other Controlled Substances  
(3 or more Defendants)
  - 2. X Fraud and Property Offenses
  - 2a. \_\_\_\_\_ Fraud and Property Offenses  
(3 or more Defendants)
  - 3. \_\_\_\_\_ Crimes of Violence
  - 4. \_\_\_\_\_ Sex Offenses
  - 5. \_\_\_\_\_ Firearms and Explosives
  - 6. \_\_\_\_\_ Immigration
  - 7. \_\_\_\_\_ All Others

Defendant's name: John "Herm" Suplizio

Is indictment waived: \_\_\_\_\_ Yes X No

Pretrial Diversion: \_\_\_\_\_ Yes X No

Juvenile proceeding: \_\_\_\_\_ Yes X No

Defendant is: X Male \_\_\_\_\_ Female

Superseding indictment or information X Yes \_\_\_\_\_ No

Previous case number: 3:23-19

If superseding, previous case was/will be:

- \_\_\_\_\_ Dismissed on defendant's motion
- X Dismissed on government's motion
- \_\_\_\_\_ After appellate action
- \_\_\_\_\_ Other (explain)

County in which first offense cited occurred: Clearfield County

Previous proceedings before Magistrate Judge: \_\_\_\_\_

Case No.: \_\_\_\_\_

PLEASE INCORPORATE MAGISTRATE CASE WITH CRIMINAL CASE

Date arrested or date continuous U.S. custody began: \_\_\_\_\_

Defendant: \_\_\_\_\_ is in custody       X  is not in custody

Name of Institution: \_\_\_\_\_

Custody is on: \_\_\_\_\_ this charge      \_\_\_\_\_ another charge

\_\_\_\_\_ another conviction

\_\_\_\_\_ State      \_\_\_\_\_ Federal

Detainer filed: \_\_\_\_\_ yes      \_\_\_\_\_ no

Date detainer filed: \_\_\_\_\_

Total defendants:  2

Total counts:  10

Data below applies to defendant No.:  1

Defendant's name:  John "Herm" Suplizio

SUMMARY OF COUNTS

<u>COUNT</u>	<u>U.S. CODE</u>	<u>OFFENSE</u>	<u>FELONY</u>	<u>MISDEMEANOR</u>
1	18 U.S.C. § 371	Conspiracy to Commit Federal Program Theft	X	
2-5	18 U.S.C. §§ 666(a)(1)(A) and 2	Federal Program Theft	X	
6	18 U.S.C. § 1956(h)	Conspiracy to Engage in Monetary Transactions in Property Derived from Specified Unlawful Activity	X	
7-10	18 U.S.C. §§ 1957(a) and 2	Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity	X	

FORFEITURE ALLEGATIONS

I certify that to the best of my knowledge the above entries are true and correct.

DATE: September 24, 2024

*s/ Nicole Vasquez Schmitt*

NICOLE VASQUEZ SCHMITT

Assistant U.S. Attorney

PA ID No. 320316

*s/ Summer F Carroll*

SUMMER F. CARROLL

Special Assistant United States Attorney

PA ID No. 205466



4. Defendant ROBERTA SHAFFER ("SHAFFER") resided in the Western District of Pennsylvania and was the Secretary for the City of DuBois.

5. In DuBois, the City Manager oversaw all city business except for the operations of the fire department.

6. When SUPLIZIO became full-time City Manager in 2010 (he was previously the Mayor and Acting City Manager), he was given a salary that was approximately \$23,000 per year more than his predecessor. His yearly salary exceeded \$80,000. He also received substantial bonuses at the end of each year from the City Council and the Mayor. For example, in 2020, he received a \$30,000 bonus.

7. SHAFFER received an annual salary as an employee of the City of DuBois.

8. Company 1 was a waste management company with a place of business in the Western District of Pennsylvania.

9. Company 2 was an oil and gas company that did business in the Western District of Pennsylvania.

10. Company 3 was an oil and gas company that did business in the Western District of Pennsylvania.

**B. City of DuBois Financial Controls**

11. All expenditures for the City of DuBois were required to be reviewed and approved by the City Council, which comprised five elected members. Under Pennsylvania law, the City Treasurer was required to keep public funds in banks or financial institutions as directed by the City Council and under the restrictions and safeguards provided by the City Council. In the City of DuBois, the Treasurer and Deputy Treasurer prepared a monthly report with the balances of all City bank accounts. This report was reviewed and approved by the City Council

every month.

12. The City Council met twice per month on the second and fourth Mondays of the month. The Council meeting was a public meeting in which city expenditures were approved or denied. The City Council received a packet of information regarding expenditures at a work session on the Thursdays before each Council meeting. The packet generally included a list of all bills requiring payment by the city and supporting documentation, if any.

13. At the public meeting, one of the City Council members would make a motion to approve or deny the expenditures in the packet. Packets of approved expenditures were sent to the Finance Director to print the checks. Next, the checks were sent to the Controller for final review. The Treasurer then signed the checks.

14. All money paid to the City of DuBois was initially deposited into a "General Fund" and then transferred to the appropriate city account. A monthly report was generated by the Deputy Treasurer that reflected the current balances for each of the city's bank accounts. The report was provided to City Council members for their review. The City of DuBois bank accounts were audited every year as required by Pennsylvania law. Auditors relied on the city to provide a complete and accurate list of city bank accounts.

15. The Controller, Treasurer, and Deputy Treasurer were signatories on all authorized City of DuBois bank accounts.

**C. Community Days**

16. Community Days was an event that occurred in the City of DuBois over a weekend in the summer. The event was free to the public and typically included a parade, entertainment, and fireworks.

17. The name of the DuBois Volunteer Fire Department ("DVFD") was

associated with Community Days, but the DVFD did not have control over the event or its finances.

18. Community Days was funded by local businesses, the City of DuBois, and donations from members of the community.

19. Community Days had a planning committee. SUPLIZIO was the finance chairman and SHAFFER was the secretary for the committee.

20. The Community Days committee used a bank account to manage the finances for the event. That bank account was the DVFD Parade Committee Checking Account xxx7394, opened at S&T Bank on or about September 24, 1990 ("Parade Account 7394"). As of June 13, 2002, SUPLIZIO and SHAFFER were among the signatories on this account.

21. Despite referencing the DVFD in its name, Parade Account 7394 was opened with and utilized the Employee Identification number ("EIN") of the City of DuBois. The City of DuBois owned the funds deposited into this account.

22. Expenses for Community Days were generally paid by check from Parade Account 7394.

23. The annual cost for Community Days varied, but was not more than approximately \$170,000 annually.

**D. Company 1 Contract and Payments**

24. On or about January 8, 2007, the City of DuBois entered into a contract with Company 1 for waste removal. The bid specifications for the contract, which were incorporated into the final contract, provided for a \$4,400 per month (\$13,200 quarterly) "administrative fee" to be paid to the City of DuBois by Company 1. SUPLIZIO was one of the signatories for the City of DuBois on this 2007 contract. That initial contract was extended

through March 31, 2028.

**1. SUPLIZIO changed the payee of the administrative fee.**

25. On or about January 2, 2008, the City of DuBois and Company 1 entered into a contract addendum, which changed the payee for the payment of the \$4,400 administrative fee from the City of DuBois to “DuBois Community Days.” SUPLIZIO initiated this payee change and was one of the signatories for the City of DuBois on this 2008 contract addendum.

26. On or about November 23, 2009, the City of DuBois and Company 1 entered into another contract addendum, which raised the administrative fee to \$5,000 per month, for a total of \$15,000 per quarter and \$60,000 per year.

**2. SUPLIZIO and SHAFFER opened four “Community Days” bank accounts without the knowledge of the City Council.**

27. As noted above, before 2008, there was one bank account associated with the Community Days event—Parade Account 7394.

28. After the 2008 contract addendum between Company 1 and the City of DuBois had been executed—which changed the payee of the administrative fee to “DuBois Community Days”—SUPLIZIO opened four bank accounts with DVFD and/or “Community Days” in the names of the accounts. SUPLIZIO opened the first bank account using the EIN for the DuBois Area United Way (“DAUW”) and used the City of DuBois EIN to open the other three accounts. In addition to being City Manager, SUPLIZIO was the Executive Director of the DAUW. SHAFFER was the secretary of the DAUW from at least May 2008 through 2018.

29. The DVFD did not own or have control over the funds in these accounts, nor did “Community Days,” which was an event and not a corporate entity. As with funds in Parade Account 7394, the City of DuBois owned the funds deposited into these four additional accounts associated with “Community Days.”

30. SUPLIZIO opened these four new accounts without the knowledge of the City Council. He then funneled the administrative fee payments from Company 1 into these accounts, as explained below.

31. The first new account was the DAUW DuBois Community Days Money Market Account xxxx1859, opened by SUPLIZIO at Clearfield Bank & Trust ("CBT") on or about May 15, 2008, using the DAUW EIN ("Money Market Account 1859"). From on or about May 15, 2008, SUPLIZIO and SHAFFER were the only signatories on this account.

32. Money Market Account 1859 was closed on or about August 12, 2008. On that same day, SUPLIZIO opened the DVFD Community Days Checking Account xxxx4754 at CBT, this time using the City of DuBois EIN ("Checking Account 4754"). From the date the account was opened, SUPLIZIO and SHAFFER were the only signatories on this account.

33. The third newly opened bank account was the DVFD Community Days CD Account xxxx1660, opened by SUPLIZIO at CBT on or about February 10, 2009, using the City of DuBois EIN ("CD Account 1660"). From the date the account was opened, SUPLIZIO and SHAFFER were the only signatories on this account.

34. The fourth newly opened bank account was the DVFD Community Days Money Market Account xxxx0920 at Riverview Bank (formerly CBT), opened by SUPLIZIO on or about February 10, 2021, using the City of DuBois EIN ("Money Market Account 0920"). SUPLIZIO opened this account to replace CD Account 1660, which had closed on the same day.

35. Money Market Account 1859, Checking Account 4754, CD Account 1660, and Money Market Account 0920 will be referred to collectively herein as the "Community Days Accounts." Unlike other City of DuBois bank accounts, the Community Days Accounts had a mailing address of 223 S. Jared Street, DuBois, which is the address of the DAUW. SUPLIZIO

and SHAFFER maintained offices at the DAUW.

36. Because of the way that the Community Days Accounts were opened and structured, they were not included in the City of DuBois Treasurer's report or tracked in the City of DuBois's financial computer system. The accounts were also not audited as required by Pennsylvania law. This was also true about Parade Account 7394, although City officials were generally aware of the existence of this account (unlike the Community Days Accounts).

**3. SUPLIZIO and SHAFFER funneled the administrative fee payments to the Community Days Accounts.**

37. Company 1 made quarterly administrative payments pursuant to the contract with the City of DuBois and addendums. The payments were not deposited into the City's General Fund, as was the city's standard practice. Rather, they were deposited into the Community Days Accounts, which were not subject to oversight by the City Council and auditors.

38. On or about October 10, 2007, and January 2, 2008, the first two checks were issued from Company 1 pursuant to the contract, for a total of \$26,400 based on the rate Company 1 was paying at the time (\$13,200 quarterly).

39. On or about May 15, 2008, SUPLIZIO opened Money Market Account 1859 with an initial deposit of that same amount—\$26,400.

40. On or about June 19, 2008, Company 1 issued a third quarterly payment check for \$13,200.

41. On or about August 12, 2008, SUPLIZIO opened Checking Account 4754 with an initial deposit of \$39,697. This is approximately equal to the \$26,400 that had been in Money Market Account 1859 (closed the same day this new account was opened) plus the one additional quarterly administrative fee from Company 1 (\$13,200).

42. Then, from in and around December 2008, through in and around March 2022, the administrative fee payments from Company 1 were deposited directly into either Checking Account 4754, CD Account 1660, or Money Market Account 0920. There was one exception to this; that is, or about March 29, 2019, Company 1 issued a \$15,000 quarterly payment that was deposited into Parade Account 7394. On or about April 23, 2019, that payment was removed from Parade Account 7394 and deposited into Checking Account 4754 with a memo line “deposited in error.”

43. The payments from Company 1 were made by check from October 2007 through June 2016, by electronic funds transfers (“EFTs”) from September 2016 through December 2018, and then by check and EFTs from 2019 through 2022.

44. In total, from in and around October 2007, through in and around March 2022, the administrative fees paid by Company 1 to the City of DuBois were approximately \$838,800. This revenue belonged to the City of DuBois. However, beginning in and around May 2008, SUPLIZIO and SHAFFER funneled this money into the Community Days Accounts, thus concealing it from the DuBois City Council and auditors.

**E. SUPLIZIO and SHAFFER Also Funneled Company 2’s Lease Option Payment to the Community Days Accounts.**

45. In addition to the administrative fee payments from Company 1, SUPLIZIO and SHAFFER also funneled other money belonging to the City of DuBois to the Community Days Accounts.

46. On or about June 22, 2009, Company 2 issued a check in the amount of \$75,000 to the City of DuBois for a “Lease Option” related to future water sales for fracking. The payment was for the option to buy water from the City of DuBois in the future.

47. Despite being issued to the City of DuBois, SUPLIZIO and SHAFFER deposited this check into CD Account 1660.

48. Company 2 and the City of DuBois never did enter a contract.

**F. SUPLIZIO and SHAFFER Also Funneled Portions of Company 3's Water Sales Payments to the Community Days Accounts.**

49. From on or about May 27, 2009, through on or about December 22, 2011, the City of DuBois sold water to Company 3 for use in fracking operations.

50. On January 13, 2010, a letter from SUPLIZIO to Company 3 detailed the terms of the agreement and noted a price of \$7.25 per 1000 gallons of water. Similar letters were provided to Company 3 through December 16, 2011, with the price of water increasing from \$7.25 per 1000 gallons to \$8.00 per 1000 gallons to \$8.80 per 1000 gallons. SUPLIZIO was the only signatory on each letter.

51. In 2010 and 2011, the City of DuBois received millions of dollars from Company 3 for the sale of water. As explained below, SUPLIZIO and SHAFFER funneled hundreds of thousands of dollars of that revenue into the Community Days Accounts.

52. In 2010, Company 3 paid the City of DuBois \$1,929,600. Of that amount, \$1,379,320.43 was labeled a "donation" and deposited to the general fund, and the rest (\$550,279.57) was transferred into the city's water fund.

53. Contrary to the bookkeeping designations, no part of the money from Company 3 was a donation. It was revenue from the sale of water that belonged to the City of DuBois. City officials and auditors later told SUPLIZIO that he could not book any portion of the money from Company 3 as a "donation."

54. In and around April 2010, the City of Dubois allocated \$120,000 of the

Company 3 revenue to the "Dubois Community Days Parade Committee." City records state that this money was meant for "Contribution to Fire Department" (\$10,000); "Fire Apparatus Accrual" (\$50,000); and "Fire Department Roof Accrual" (\$60,000). On or about April 16, 2010, the \$120,000 check was deposited into CD Account 1660.

55. In and around July 2010, the City of Dubois allocated \$131,800 of the Company 3 revenue to the "Dubois Community Days Parade Committee." On or about July 30, 2010, the \$131,800 check was deposited into CD Account 1660.

56. In 2011, Company 3 paid the City of DuBois \$2,584,620. Of that amount, \$2,159,588 was labeled a "donation" and deposited to the general fund, and the rest (\$425,032) was transferred into the city's water fund.

57. In and around April 2011, the City of Dubois allocated \$189,960 of the Company 3 revenue to the "Dubois Community Days Parade Committee." On or about May 2, 2011, the \$189,960 check was deposited into CD Account 1660.

58. In and around December 2011, the City of Dubois allocated \$185,000 of the Company 3 revenue to the "Dubois Community Days Parade Committee." On or about January 31, 2012, the \$185,000 check was deposited into CD Account 1660.

59. In total, in 2010 and 2011, SUPLIZIO and SHAFFER funneled approximately \$626,760 of revenue from Company 3 to CD Account 1660. Adding to that the payments from Company 1 (\$838,800) and Company 2 (\$75,000), SUPLIZIO and SHAFFER funneled approximately \$1,540,560 belonging to the City of DuBois to the Community Days Accounts.

### **THE CONSPIRACY**

60. From in and around May 2008, and continuing thereafter to in and around March 2022, in the Western District of Pennsylvania and elsewhere, defendants JOHN "HERM" SUPLIZIO and ROBERTA SHAFFER, agents of the City of DuBois, knowingly conspired, confederated, and agreed together and with each other, to embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner, and intentionally misapply, property worth \$5,000 or more, and that was owned by, and was under the care, custody, and control of the City of DuBois, a local government which during each relevant one-year period received federal benefits in excess of \$10,000, by a variety of means, in violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

### **MANNER AND MEANS OF THE CONSPIRACY**

61. It was a manner and means of the conspiracy that SUPLIZIO and SHAFFER exploited their roles as signatories on the Community Days Accounts and Parade Account 7394 to make large cash withdrawals, write checks to themselves and others, obtain cashier's checks with themselves listed as payees, and make payments to SUPLIZIO's personal credit card. The purchases on SUPLIZIO's credit card included SUPLIZIO's vacation expenses, utility expenses for SUPLIZIO's residence, department store purchases, jewelry store purchases, political dinners, and other personal expenses.

62. It was a further manner and means of the conspiracy that the Community Days Accounts and Parade Account 7394 were not subject to proper oversight by the City Council of the City of DuBois.

63. It was a further manner and means of the conspiracy that the Community Days Accounts and Parade Account 7394 were not audited as required by Pennsylvania law.

64. It was a further manner and means of the conspiracy that neither the Controller, the Treasurer, nor the Deputy Treasurer of the City of DuBois were signatories on the Community Days Accounts. Rather, SUPLIZIO and SHAFFER were the only signatories on these accounts.

65. It was a further manner and means of the conspiracy that SUPLIZIO and SHAFFER did not obtain the authorization of the City Council to conduct financial transactions involving the Community Days Accounts and Parade Account 7394.

66. It was a further manner and means of the conspiracy that, in setting up the Community Days Accounts outside of the oversight of the City Council, SUPLIZIO and SHAFFER circumvented city financial controls.

67. It was a further manner and means of the conspiracy that SUPLIZIO and SHAFFER caused Company 1's administrative fee payments and Company 2's lease option payment to be deposited into the Community Days Accounts, rather than into the General Fund for the City of DuBois.

68. It was a further manner and means of the conspiracy that SUPLIZIO and SHAFFER caused large portions of revenue from Company 3 to be deposited into the Community Days Accounts.

69. It was a further manner and means of the conspiracy that SUPLIZIO and SHAFFER moved money from the Community Days Accounts into Parade Account 7394. They also used Parade Account 7394 to make payments to SUPLIZIO's personal credit card and large cash withdrawals.

70. It was a further manner and means of the conspiracy that SUPLIZIO and SHAFFER concealed their misuse of the fees from Company 1, Company 2, and Company 3 from the City of DuBois by failing to disclose to city officials the existence of the Community Days Accounts and the use of city funds deposited into such accounts for, among other things, SUPLIZIO's personal financial benefit.

**ACTS IN FURTHERANCE OF THE CONSPIRACY**

71. In furtherance of the conspiracy, and to effect the objects of the conspiracy, SUPLIZIO and SHAFFER committed and caused to be committed, in the Western District of Pennsylvania and elsewhere, at least one of the following overt acts, among others:

**A. Parade Account 7394**

72. From in and around April 2014, to in and around June 2019, SUPLIZIO and SHAFFER wrote 15 checks from Parade Account 7394 totaling \$131,003.17 to pay SUPLIZIO's personal JP Morgan Chase Visa credit card bills. SUPLIZIO's JP Morgan Chase Visa account was not issued by the City of DuBois and the authorized users on the account were only SUPLIZIO and certain of his family members.

73. On or about June 9, 2015, SHAFFER used a countercheck to withdraw \$25,000 in cash from Parade Account 7394. SHAFFER and SUPLIZIO signed the check and SHAFFER cashed it. A countercheck (or starter check) is typically only used when the account has just been opened prior to checkbooks being issued on the account.

**B. CD Account 1660**

74. From in and around July 2015, to in and around May 2018, SUPLIZIO obtained five cashier's checks totaling \$47,149.56 from CD Account 1660 to pay his personal credit card bills. The checks were written to Visa with SUPLIZIO identified as the remitter on

four of the checks, and DVFD as the remitter on one.

75. On or about June 14, 2012, SUPLIZIO withdrew \$35,000 in cash from CD Account 1660.

76. On or about April 26, 2013, SUPLIZIO withdrew \$35,000 in cash from CD Account 1660.

77. On or about February 26, 2014, SHAFFER withdrew \$30,000 from CD Account 1660 and deposited \$10,000 into Checking Account 4754. SHAFFER then obtained a \$20,000 cashier's check with the remainder of the withdrawal, made payable to S&T Bank with the remitter listed as CBT.

78. On or about March 27, 2014, SUPLIZIO obtained a \$12,000 cashier's check from CD Account 1660. The remitter on the check was listed as DVFD and the payee was identified as SUPLIZIO. On or about December 15, 2014, that check was deposited into SUPLIZIO's personal savings account at S&T Bank.

79. On or about March 27, 2014, SUPLIZIO obtained a \$2,500 cashier's check from CD Account 1660 made payable to SHAFFER with DVFD listed as the remitter.

80. On or about May 23, 2014, SUPLIZIO withdrew \$35,000 in cash from CD Account 1660.

81. On or about March 27, 2015, SUPLIZIO withdrew \$20,000 in cash from CD Account 1660.

82. On or about April 6, 2015, SUPLIZIO withdrew \$20,000 in cash from CD Account 1660.

83. SUPLIZIO also made several withdrawals to obtain cashier's checks from CD Account 1660 to make political contributions to local elected officials. For example:

a. On or about September 10, 2014, SUPLIZIO obtained a cashier's check with funds from CD Account 1660 made payable to Elected Official 1 in the amount of \$2,000.

b. On or about September 10, 2014, SUPLIZIO obtained a cashier's check with funds from CD Account 1660 made payable to Elected Official 2 in the amount of \$1,000.

c. On or about September 10, 2014, SUPLIZIO obtained a cashier's check with funds from CD Account 1660 made payable to Elected Official 3 in the amount of \$1,000.

d. On or about November 2, 2017, SUPLIZIO obtained a cashier's check with funds from CD Account 1660 made payable to Elected Official 1 in the amount of \$2,000.

84. On or about June 14, 2016, SUPLIZIO obtained a \$65,000 cashier's check with funds from CD Account 1660. The remitter was listed as "DVFD Comm Fund" and the payee was SHAFFER. The check was cashed the next day by SHAFFER.

85. On or about June 5, 2018, SUPLIZIO obtained a \$35,000 cashier's check from CD Account 1660 and it was deposited into Parade Account 7394. On that same day, a check for \$35,000 was written from Parade Account 7394 to "Cash-Community Days," and signed by SUPLIZIO and SHAFFER. SUPLIZIO endorsed and cashed the check on the same day.

86. On or about April 12, 2019, SUPLIZIO withdrew \$4,500 from CD Account 1660.

**C. Checking Account 4754**

87. From in and around January 2012, to in and around February 2022,

SUPLIZIO and SHAFFER wrote approximately 113 checks from Checking Account 4754 totaling approximately \$347,120.91 to pay SUPLIZIO's personal credit card bills.

88. On or about June 12, 2013, a \$17,000 check from Checking Account 4754 was cashed by SHAFFER.

89. On or about June 16, 2017, a check was written for \$40,000 from Checking Account 4754 and signed by SUPLIZIO and SHAFFER. The remitter for the check was listed as DVFD and the payee was SUPLIZIO. SUPLIZIO endorsed the back of the check and cashed it.

90. On or about June 17, 2019, a check was written from Checking Account 4754 for \$30,000 and made payable to SUPLIZIO with "Cash-Comm Days" written in the memo section. The check was signed by SUPLIZIO and SHAFFER. SUPLIZIO endorsed the back of the check and cashed it.

91. On or about June 8, 2021, a check was written for \$28,000 and signed by SUPLIZIO and SHAFFER. It was made payable to SUPLIZIO with "Community Days-Performers/Expenses" written in the memo section. SUPLIZIO endorsed the back of the check and cashed it.

92. The above transactions are examples of the withdrawals and personal credit card payments that SUPLIZIO and SHAFFER conducted from the Community Days Accounts and Parade Account 7394. For these transactions alone, SUPLIZIO and SHAFER caused more than approximately \$525,000 in money from the Community Days Accounts and Parade Account 7394 to be used to pay SUPLIZIO's personal credit card bills, and withdrew approximately \$430,000 in cash, checks to themselves and others, and cashier's checks.

In violation of Title 18, United States Code, Section 371.

**COUNT TWO**

The grand jury further charges:

93. The factual allegations set forth in paragraphs 1-92 are incorporated by reference herein.

94. The City of DuBois, a local government, received federal assistance in the form of grants, subsidies, loans, guarantees, insurance, and other forms of assistance in excess of \$10,000 during the one-year period beginning on or about January 1, 2018, and ending on or about December 31, 2018.

95. SUPLIZIO and SHAFFER were at all relevant times agents of the City of DuBois.

96. Between on or about January 1, 2018, and ending on or about December 31, 2018, in the Western District of Pennsylvania and elsewhere, defendants SUPLIZIO and SHAFFER did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner, and intentionally misapply, property worth \$5,000 or more, and that was owned by, and was under the care, custody, and control of the City of DuBois.

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

**COUNT THREE**

The grand jury further charges:

97. The factual allegations set forth in paragraphs 1-92 are incorporated by reference herein.

98. The City of DuBois, a local government, received federal assistance in the form of grants, subsidies, loans, guarantees, insurance, and other forms of assistance in excess of \$10,000 during the one-year period beginning on or about January 1, 2019, and ending on or about December 31, 2019.

99. SUPLIZIO and SHAFFER were at all relevant times agents of the City of DuBois.

100. Between on or about January 1, 2019, and ending on or about December 31, 2019, in the Western District of Pennsylvania and elsewhere, defendants SUPLIZIO and SHAFFER did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner, and intentionally misapply, property worth \$5,000 or more, and that was owned by, and was under the care, custody, and control of the City of DuBois.

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

**COUNT FOUR**

The grand jury further charges:

101. The factual allegations set forth in paragraphs 1-92 are incorporated by reference herein.

102. The City of DuBois, a local government, received federal assistance in the form of grants, subsidies, loans, guarantees, insurance, and other forms of assistance in excess of \$10,000 during the one-year period beginning on or about January 1, 2020, and ending on or about December 31, 2020.

103. SUPLIZIO and SHAFFER were at all relevant times agents of the City of DuBois.

104. Between on or about January 1, 2020, and ending on or about December 31, 2020, in the Western District of Pennsylvania and elsewhere, defendants SUPLIZIO and SHAFFER did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner, and intentionally misapply, property worth \$5,000 or more, and that was owned by, and was under the care, custody, and control of the City of DuBois.

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

**COUNT FIVE**

The grand jury further charges:

105. The factual allegations set forth in paragraphs 1-92 are incorporated by reference herein.

106. The City of DuBois, a local government, received federal assistance in the form of grants, subsidies, loans, guarantees, insurance, and other forms of assistance in excess of \$10,000 during the one-year period beginning on or about January 1, 2021, and ending on or about December 31, 2021.

107. SUPLIZIO and SHAFFER were at all relevant times agents of the City of DuBois.

108. Between on or about January 1, 2021, and ending on or about December 31, 2021, in the Western District of Pennsylvania and elsewhere, defendants SUPLIZIO and SHAFFER did embezzle, steal, obtain by fraud, and otherwise without authority knowingly convert to the use of any person other than the rightful owner, and intentionally misapply, property worth \$5,000 or more, and that was owned by, and was under the care, custody, and control of the City of DuBois.

In violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2.

**COUNT SIX**

The grand jury further charges:

109. The factual allegations set forth in paragraphs 1-92 are incorporated by reference herein.

110. By in and around May 2012, through in and around February 2022, in the Western District of Pennsylvania and elsewhere, the defendants, SUPLIZIO and SHAFFER, did knowingly combine, conspire, and agree with each other and with other persons known and unknown to the grand jury to commit offenses against the United States in violation of Title 18, United States Code, Section 1957, to wit, SUPLIZIO and SHAFFER knowingly engaged and attempted to engage in a monetary transaction affecting interstate and foreign commerce in criminally derived property of a value greater than \$10,000, that is, debits from the Community Days Accounts and Parade Account 7394, such property having been derived from specified unlawful activity, that is, federal program theft in violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2, knowing that the funds were derived from some form of unlawful activity, in violation of Title 18, United States Code, Section 1957.

111. The manner and means used to accomplish the objectives of the conspiracy are described in detail above, including that SUPLIZIO and SHAFFER funneled over \$1.5 million belonging to the City of DuBois into the Community Days Accounts (which neither City Council nor the city's auditors knew about) and then exploited their roles as the only signatories on those accounts to make large cash withdrawals, write checks to themselves and others, obtain cashier's checks with themselves listed as payees, and make payments to SUPLIZIO's personal credit card, all without the authorization of City Council or the oversight of the city auditors.

112. It was a further manner and means of the conspiracy that SUPLIZIO and

SHAFFER moved money from the Community Days Accounts into Parade Account 7394, and then used Parade Account 7394 to conduct their illegal transactions.

113. Many of the transactions conducted by SUPLIZIO and SHAFFER were over \$10,000, including, but not limited to, the following:

<b>Date (On or About)</b>	<b>Transaction</b>	<b>From Account</b>	<b>Amount</b>
5.29.2012	Check payable to SUPLIZIO's credit card	Checking Account 4754	\$12,224.29
6.14.2012	Cash withdrawal by SUPLIZIO	CD Account 1660	\$35,000
4.26.2013	Cash withdrawal by SUPLIZIO	CD Account 1660	\$35,000
6.12.2013	Check cashed by SHAFFER	Checking Account 4754	\$17,000
2.26.2014	Cashier's check payable to S&T Bank	CD Account 1660	\$20,000
3.27.2014	Cashier's check payable to SUPLIZIO	CD Account 1660	\$12,000
5.23.2014	Cash withdrawal by SUPLIZIO	CD Account 1660	\$35,000
3.27.2015	Cash withdrawal by SUPLIZIO	CD Account 1660	\$20,000
4.6.2015	Cash withdrawal by SUPLIZIO	CD Account 1660	\$20,000
6.10.2015	Counter check payable to cash	Parade Account 7394	\$25,000 (the next day, SUPLIZIO deposited \$50,000 from CD Account 1660 to Parade Account 7394)
7.27.2015	Cashier's check payable to SUPLIZIO's credit card	CD Account 1660	\$10,463.32
10.16.2015	Cashier's check payable to SUPLIZIO's credit card	CD Account 1660	\$11,490.70

6.14.2016	Cashier's check payable to SHAFFER	CD Account 1660	\$65,000 (\$30,000 of which was deposited into Parade Account 7394)
8.1.2016	EFT to SUPLIZIO's credit card	Checking Account 4754	\$11,396.56
6.16.2017	Check payable to "DVFD Herm Suplizio"	Checking Account 4754	\$40,000
1.25.2018	EFT to SUPLIZIO's credit card	Checking Account 4754	\$14,185.60
5.22.2018	Cashier's check payable to SUPLIZIO's credit card	CD Account 1660	\$17,537.49
6.6.2018	Check payable to "Cash-Community Days"	Parade Account 7394	\$35,000 (the same day, SUPLIZIO obtained a check for \$35,000 from CD Account 1660 that was deposited into Parade Account 7394)
7.11.2018	Check payable to SUPLIZIO's credit card	Parade Account 7394	\$16,183.59 (on 6.20.2018, SUPLIZIO and SHAFFER signed a check for \$20,000 from Checking Account 4754 that was deposited into Parade Account 7394)
4.29.2019	EFT to SUPLIZIO's credit card	Checking Account 4754	\$14,500
6.17.2019	Check payable to "JOHN SUPLIZIO"	Checking Account 4754	\$30,000
11.2.2020	EFT to SUPLIZIO's credit card	Checking Account 4754	\$10,095.51
6.9.2021	Check payable to "JOHN SUPLIZIO"	Checking Account 4754	\$28,000
6.28.2021	EFT to SUPLIZIO's credit card	Checking Account 4754	\$19,056.70

2.17.2022	Check payable to a third party	Checking Account 4754	\$12,000
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In violation of Title 18, United States Code, Section 1956(h).

**COUNTS SEVEN THROUGH TEN**

The grand jury further charges:

114. The factual allegations set forth in paragraphs 1-92 and 109-113 are incorporated by reference herein.

115. On or about the dates set forth below, in the Western District of Pennsylvania and elsewhere, the defendants, SUPLIZIO and SHAFFER, knowingly engaged and attempted to engage in a monetary transaction affecting interstate commerce, in criminally derived property with a value greater than \$10,000, that is, the debits from Checking Account 4754 listed below, such property having been derived from specified unlawful activity, that is, federal program theft in violation of Title 18, United States Code, Sections 666(a)(1)(A) and 2, knowing that the funds were derived from some form of unlawful activity:

<b>Count</b>	<b>Date (On or About)</b>	<b>Transaction</b>	<b>From Account</b>	<b>Amount</b>
<b>SEVEN</b>	11.2.2020	EFT to SUPLIZIO's credit card	Checking Account 4754	\$10,095.51
<b>EIGHT</b>	6.9.2021	Check payable to "JOHN SUPLIZIO"	Checking Account 4754	\$28,000
<b>NINE</b>	6.28.2021	EFT to SUPLIZIO's credit card	Checking Account 4754	\$19,056.70
<b>TEN</b>	2.17.2022	Check payable to a third party	Checking Account 4754	\$12,000

In violation of Title 18, United States Code, Sections 1957(a) and 2.

**FORFEITURE ALLEGATIONS**

The United States hereby gives notice to the defendants charged in Counts One through Five that, upon their conviction of any such offenses, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offenses to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses, including, but not limited to, the property listed below.

The United States also hereby gives notice to the defendants charged in Counts Six through Ten that, upon their conviction of any such offenses, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982, of all property involved in each offense of conviction in violation of Title 18, United States Code, Section 1957, or conspiracy to commit such offense, and all property traceable to such property, including, but not limited to, the property listed below.

a. A sum of money in United States currency for each defendant in an amount to be determined by the Court, representing the amount of proceeds obtained as a result of each offense.

b. Approximately \$18,800.00 in United States currency seized from defendant JOHN "HERM" SUPLIZIO.

c. All United States currency, funds or other monetary instruments credited to the following accounts:

i. S&T Bank account number xxxx3364, \$113,001.26, in the name of John Suplizio, located at 800 S. Philadelphia Street, Indiana, PA 15701;

ii. Janney Montgomery Scott LLC account number xxxx8601,

\$261,729.76, in the name of John Suplizio, located at 1801 Market Street, Philadelphia, PA 19103; and

iii. Ameriprise Financial account number xxxx3-001, \$437,907.13, in the name of John Suplizio, located at 70100 Ameriprise Financial Center, Minneapolis, MN 55474.

If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other

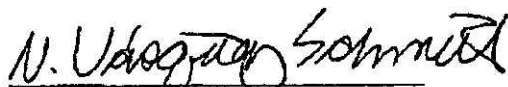
property of the defendants up to the value of the forfeitable property described above.

A True Bill,

  
FOREPERSON



ERIC G. OLSHAN  
United States Attorney  
IL ID No. 6290382



NICOLE VASQUEZ SCHMITT  
Assistant United States Attorney  
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/s/ Summer F. Carroll

SUMMER F. CARROLL  
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