

STATE OF WISCONSIN**CIRCUIT COURT****RACINE COUNTY**

STATE OF WISCONSIN

Plaintiff,

vs.

JAMES F SVOBODA III

4046 S Lawn Avenue
Mt Pleasant, WI 53403

DOB: 10/09/1976

Sex/Race: M/W

Eye Color: Brown

Hair Color: Blue

Height: 6 ft 5 in

Weight: 230 lbs

Alias: Also Known As James Frank
Svoboda III

Also Known As Jim Svoboda

Defendant.

DA Case No.: 2019RA009190

Assigned DA/ADA: Christopher D Steenrod

Agency Case No.: 19-004275

Court Case No.: 2019CF001694

ATN:

AMENDED CRIMINAL COMPLAINT

Status: Status on June 25, 2021 at 9:00 AM

Citation:

Officer(s) Daniel L Schauer # 40, of the Mt Pleasant Police Department

The defendant did:**Count 1: THEFT - MOVABLE PROPERTY (>\$100,000)**

The above-named defendant on or between 01/01/2013 and 03/31/2019, in the Village of Caledonia, Racine County, Wisconsin, did intentionally use movable property of the Village of Caledonia, having a value that exceeds \$100,000, without consent, and with intent to permanently deprive the owner of possession of the property, contrary to sec. 943.20(1)(a) and (3)(cm), 939.50(3)(f) Wis. Stats., a Class F Felony, and upon conviction may be fined not more than Twenty Five Thousand Dollars (\$25,000), or imprisoned not more than twelve (12) years and six (6) months, or both.

Count 2: THEFT - MOVABLE PROPERTY (> \$10,000 - \$100,000)

The above-named defendant on or between 01/01/2013 and 03/31/2019, in the Village of Mount Pleasant, Racine County, Wisconsin, did intentionally use movable property of the Village of Mount Pleasant, having a value greater than \$10,000 but does not exceed \$100,000, without consent, and with intent to permanently deprive the owner of possession of the property, contrary to sec. 943.20(1)(a) and (3)(c), 939.50(3)(g) Wis. Stats., a Class G Felony, and upon conviction may be fined not more than Twenty Five Thousand Dollars (\$25,000), or imprisoned not more than ten (10) years, or both.

Count 3: UTTERING A FORGERY

The above-named defendant on or about Wednesday, December 20, 2017, in the Village of Mount Pleasant, Racine County, Wisconsin, did utter as genuine, any forged writing or writing of a kind whereby legal rights and obligations are created, knowing the writing to have been falsely made, a check., contrary to sec. 943.38(2), 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

05/04/2021

Count 4: UTTERING A FORGERY

The above-named defendant on or about Wednesday, December 12, 2018, in the Village of Mount Pleasant, Racine County, Wisconsin, did utter as genuine, any forged writing or writing of a kind whereby legal rights and obligations are created, knowing the writing to have been falsely made, a check., contrary to sec. 943.38(2), 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 5: UNAUTHORIZED USE OF AN ENTITY'S IDENTIFYING INFORMATION OR DOCUMENTS

The above-named defendant on or between 12/01/2017 and 12/18/2018, in the Village of Mount Pleasant, Racine County, Wisconsin, did intentionally use identifying information or documents, a stamp, of Village of Mount Pleasant to obtain anything of value or benefit without the entity's authorization or consent by representing that he was the entity or was acting with the authorization or consent of the entity, contrary to sec. 943.203(2)(a), 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 6: FORGERY

The above-named defendant on or between 01/01/2013 and 03/31/2019, in the Village of Caledonia, Racine County, Wisconsin, with intent to defraud, did alter a writing or object whereby legal rights or obligations are created, terminated or transferred so that it purported to have been made by authority of one who did not give such authority,, contrary to sec. 943.38(1), 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 7: UTTERING A FORGERY

The above-named defendant on or between 01/01/2013 and 03/31/2019, in the Village of Caledonia, Racine County, Wisconsin, did utter as genuine, any forged writing or writing of a kind whereby legal rights and obligations are created, knowing the writing to have been falsely made, invoices for payment., contrary to sec. 943.38(2), 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 8: MISCONDUCT IN PUBLIC OFFICE - EXCESS AUTHORITY

The above-named defendant on or between 01/01/2013 and 03/31/2019, in the Village of Caledonia, Racine County, Wisconsin, unlawfully, intentionally, and feloniously, in the officer's or employee's capacity as such officer or employee, does an act which the officer or employee knows is in excess of the officer's or employee's lawful authority or which the officer or employee knows the officer or employee is forbidden by law to do in the officer's or employee's official capacity, contrary to sec. 946.12(2), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

Count 9: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Friday, January 31, 2014, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 10: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Wednesday, February 4, 2015, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 11: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Thursday, February 4, 2016, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 12: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Wednesday, February 1, 2017, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 13: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Friday, February 2, 2018, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 14: FRAUD/RENDERING INCOME TAX RETURN OR OBTAIN REFUND WITH FRAUDULENT INTENT

The above-named defendant on or about Tuesday, February 5, 2019, in the Village of Mount Pleasant, Racine County, Wisconsin, did render a false or fraudulent income tax return with intent to defeat or evade any assessment required by this chapter, or to obtain a refund or credit with fraudulent intent, contrary to sec. 71.83(2)(b)1, 939.50(3)(h) Wis. Stats., a Class H Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than six (6) years, or both.

Count 15: MISDEMEANOR THEFT - FALSE REPRESENTATION (<\$2500)

The above-named defendant on or about Friday, January 31, 2014, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of ~VICTIM~ by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud, and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(a), 939.51(3)(a) Wis. Stats., a Class A Misdemeanor, and

upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than nine (9) months, or both.

Count 16: FELONY THEFT - FALSE REPRESENTATION (> \$2500 - \$5000)

The above-named defendant on or about Wednesday, February 4, 2015, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of ~VICTIM~ having a value of greater than \$2500 but not more than \$5000, by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(bf), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

Count 17: FELONY THEFT - FALSE REPRESENTATION (> \$2500 - \$5000)

The above-named defendant on or about Thursday, February 4, 2016, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of ~VICTIM~ having a value of greater than \$2500 but not more than \$5000, by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(bf), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

Count 18: FELONY THEFT - FALSE REPRESENTATION (> \$2500 - \$5000)

The above-named defendant on or about Friday, February 2, 2018, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of Wisconsin Dept of Revenue having a value of greater than \$2500 but not more than \$5000, by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(bf), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

Count 19: FELONY THEFT - FALSE REPRESENTATION (> \$2500 - \$5000)

The above-named defendant on or about Tuesday, February 5, 2019, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of Wisconsin Dept of Revenue having a value of greater than \$2500 but not more than \$5000, by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(bf), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

Count 20: FELONY THEFT - FALSE REPRESENTATION (> \$2500 - \$5000)

The above-named defendant on or about Wednesday, February 1, 2017, in the Village of Mount Pleasant, Racine County, Wisconsin, did obtain title to property of Wisconsin Dept of Revenue having a value of greater than \$2500 but not more than \$5000, by intentionally deceiving the person with a false representation which he knew to be false, made with intent to defraud and which defrauded the person, contrary to sec. 943.20(1)(d) and (3)(bf), 939.50(3)(i) Wis. Stats., a Class I Felony, and upon conviction may be fined not more than Ten Thousand Dollars (\$10,000), or imprisoned not more than three (3) years and six (6) months, or both.

The official records and files of the Racine County District Attorney's Office, the Wisconsin Department of Justice and/or Department of Transportation reflect that the defendant has the following record of convictions:

07/21/2003 Unemployment Comp-Fraud to Obtain Benefits Racine 03CM1343

The complainant, being first duly sworn on oath, on information and belief, alleges and states that in the County of Racine, State of Wisconsin, the defendant did commit the above described offense(s) and prays that said defendant be dealt with according to the laws of the State of Wisconsin.

The complainant states that he is an adult citizen and has reviewed the official law enforcement reports prepared under the above mentioned complaint numbers by the above stated officer(s), whose reports your complainant relies upon as truthful and accurate inasmuch as they were prepared during the course of an official law enforcement investigation. The complainant relies upon the statements of the mentioned witnesses inasmuch as they are citizens and their statements are based on personal knowledge or eyewitness observations; the complainant relies upon the statements of the defendant, if any, inasmuch as they are contrary to the defendant's penal interests and are, therefore, to be believed.

The complainant thereby informs the court that the basis for the above charge(s) is as follows:

On February 25, 2019, Detective Daniel Schauer of the Village of Mount Pleasant Police Department, was contacted regarding a business theft/embezzlement by a Caledonia/Mount Pleasant Village employee. The victims were identified as the Village of Caledonia and the Village of Mount Pleasant. The Village of Caledonia's corporate campus is located at 5043 Chester Lane, in the Village of Caledonia, Racine County, WI. The Village of Mount Pleasant's corporate campus is located at 8811 Campus Drive 1, in the Village of Mount Pleasant, Racine County, WI. The employee was identified as James Svoboda. Svoboda was an employee of the Village of Caledonia and a contracted employee of the Village of Mount Pleasant. At all times relevant to this complaint, Svoboda was employed as the Joint Parks Superintendent and Park Liaison. The Village of Caledonia is the financial agent for the Joint Park. Svoboda's employment duties included; oversight in the operation of the Kraut Festival, the Kids Connection Playground, the Food trucks, the Beer Garden, responsibility for fundraising, coordinating and accepting payment for park and facility rentals, and various other related duties. Svoboda was also employed as the Caledonia Cemetery Sexton. In that capacity, Svoboda was responsible for coordinating and accepting payment for cemetery plots. No consent was given for Svoboda to embezzle money from the Village of Caledonia or the from the Village of Mount Pleasant.

Detective Schauer reports that this complaint originated from a complaint that James Svoboda fraudulently endorsed Property Tax Escrow checks intended for the Village of Mount Pleasant. Tri City National Bank Special Accounts Representative, K.S. contacted Mount Pleasant Village Treasurer/Clerk S.K. concerning tax escrow checks that were apparently submitted to the Village of Mount Pleasant to be processed for property tax payment. K.S. noted that Tri City Bank discovered the following about escrow checks sent to James and Valerie Svoboda for property tax payment on their shared property at 4046 Southlawn Avenue, in Mount Pleasant:

Check Number 77316 in the amount of **\$2,693.82**, 12/12/17 made payable to Village of Mount Pleasant and James Svoboda III and Valerie Svoboda. The check was endorsed on the reverse: Valerie Svoboda (top) Stamped noting "Village of Mount Pleasant 8811 Campus Drive Mt. Pleasant, WI 53406"

(middle), James Svoboda next, and on the bottom (Stamped) "TREASURER VILLAGE OF MT PLEASANT". This check was cashed at Educators Credit Union (Newman Road Branch) on/about **12/20/2017**.

Check Number 82297, in the amount of **\$2,397.46**, **12/12/18**, made payable to Village of Mount Pleasant and James Svoboda III and Valerie Svoboda. The endorsement description on the reverse of this check is as follows: James Svoboda on the top, Valerie Svoboda directly below James' endorsement. Beneath both signatures, was the return mail address stamp (Village of Mt. Pleasant 8811 Campus Dr Mt. Pleasant, WI 53406) as noted above. This check was cashed at First Citizens Bank located at 6031 Regency West Drive, in Mount Pleasant. The signatures (endorsements) for Valerie Svoboda did not appear to match.

The submitted tax escrow checks were never applied for owed property taxes on Svoboda's property in Mount Pleasant. According to S.K., Svoboda's 2017 Property Taxes owed is currently listed as "Delinquent" and his 2018 Property Taxes had yet to be paid.

SK, a village employee, stated that the Village collects and retains tax escrow checks and provides a receipt. The checks are then electronically scanned and deposited with Johnson Bank. SK noted that the Village did not use an endorsement stamp for the 2017 and 2018 tax cycles. Additionally, the stamps on the two checks listed above were not the stamps that would have been used when collecting property taxes. S.K stated that Svoboda would have had access to the stamper in his capacity as Joint Parks Superintendent. SK stated that Svoboda did not have authorization to endorse property taxes on behalf of the village of Mt Pleasant.

During the course of the investigation, Det Schauer learned Svoboda was the sole authorized agent for the Kraut Music Festival account at ECU. Det Schauer reviewed the ECU account and noted the total amount misappropriated by Svoboda between **March 2017 and February, 2019, was \$21, 132.26**. This was determined by following transfers from the festival account to Svoboda's personal account. Svoboda had previously opened his personal account on January 24, 2014 with a \$100 cash deposit. In addition to the direct transfers from the KMF account to Svoboda's personal ECU account, numerous suspicious ATM withdrawals and purchases against the KMF account(s) were noted. The ATM withdrawals occurred at locations including the St. Croix Casino, near Danbury, WI, Oneida Casino and Potawatomi Casino.

Purchases included several plane ticket purchases, a purchase from the Coach Store and a large Best Buy purchase of \$1,208.64. It should be noted that both purchases occurred on 05/08, (Coach purchase on 05/08/17, Best Buy on 05/08/18) which is Valerie Svoboda's birthday. The Best Buy purchase was an Apple MacBook Pro 13" Space Gray Laptop Computer.

A review of cashed checks into the KMF account uncovered two checks not specifically designated for Kraut Music Festival. The was first dated 02/28/2017, and was from the Greater Milwaukee Foundation in the amount of \$3,500, made payable to "Village of Mount Pleasant". This was endorsed with the return address stamp "Village of MT. PLEASANT 8811 Campus Dr. Mt. Pleasant, WI 53406" and appears to be the same stamp used to endorse SVOBODA's tax escrow check. The second was from the Madison Community Foundation in the amount of \$1,500 payable to "Education Racine", this was dated 04/27/2018. Both The Greater Milwaukee Foundation and Madison Community Foundation are philanthropic organizations that provide grants for community outreach initiatives. Transfers from the Kraut Fest Account

went directly into Svoboda's personal account. No observed payments were made to the Villages of Caledonia/ Mount Pleasant, or Mount Pleasant/Caledonia Joint Park or other governing agency/entity.

A further review of the ECU account revealed a Square Inc account had been linked to Svoboda's savings account during the early part of February 2014. Square Inc is a credit card payment system. It should be noted that Square Inc was not an acceptable method for Svoboda to collect payment during the course of his employment. The Joint Park had previously established a Gov.Pay.net payment system to accept credit card payments for fees. Svoboda used his personal Square Inc. account to embezzle these payments. Det Schauer located 449 Square Inc. transactions that occurred primarily at the Joint Park, Mt Pleasant Village Hall and Svoboda's residence. Det Schauer noted several Automated Clearing House (ACH) deposits into Svoboda's personal account from Square Inc. Det Schauer also located photocopies of checks deposited by Svoboda into his personal account. Most of the checks were made out to "James Svoboda" and were for park pavilion rentals, field fees and burial expenses. Information on the checks, including the issuer and information on the memo line on the checks i.e. "Park Rental", specific dates noted (Rental Dates) or the occasion (Wedding/Reunion etc.) and dollar amounts corresponding with various fees/rentals costs established by the Joint Park or Caledonia Village Board, all illustrate that Svoboda was embezzling funds designated for the Village of Caledonia, Caledonia Memorial Cemetery or the CMPJP. Again, no corresponding payment from Svoboda was made to the appropriate governmental agency. Svoboda deposited a \$5,000 check from RASA into his personal account on October 30, 2015. The check was supposed to be applied towards construction of a fence. Again, no corresponding payment from Svoboda was made to the appropriate governmental agency.

Det Schauer investigated Svoboda in his capacity of cemetery sexton. NK contacted Svoboda during November of 2018 to purchase additional burial plots next to her father. NK purchased five plots for \$4,000. NK paid for the purchase with her credit card. Det Schauer located a Square Inc transaction for NK's purchase. Immediately after that transaction is completed, Svoboda contacts a travel agent to make payment on a vacation to Costa Rica. The cost of the vacation is an amount similar to the amount collected from NK. Det Schauer also discovered that Svoboda altered cemetery plot deeds by removing the requirement that the Village of Caledonia President and Clerk and sign off on the form. The alteration resulted in Svoboda's signature being necessary as well as a notary's signature. Svoboda used the proper form for a period of time.

Svoboda was also involved with the start of the Mount Pleasant Campus Park. As part of his job, Svoboda arranged or payments of memorial park benches to be installed in the park. Svoboda received payments from citizens and ordered benches. Mount Pleasant ordered benches but payment was not verified or received. Svoboda obtained \$5,189.84 through this scheme. Svoboda also improperly retained a cash donation in the amount of \$675.

Detective Schauer reports that on 3/26/2019, he became aware from CAPD of a burglary to the office at the CMPJP, where documentation concerning CMPJP field fee rentals, hall/pavilion rentals, and Caledonia Memorial Cemetery burial information was stored. This was the office occupied by Svoboda. The time frame for this burglary occurred between 03/22/2019 to 03/26/2019. The door was forced/pried open and records were stolen.

Investigators spoke with Svoboda's assistant, DB. DB stated that while Svoboda was a decent person to work for, he would leave work for long periods of time and put more work on DB. DB also explained that Svoboda's spending habits changed. DB said Svoboda purchased a boat and would go on

expensive vacations with no explanation of where the money was coming from. DB also stated that handling of funds for the park was done almost exclusively by Svoboda. If DB did accept funds for a park rental, he would place the funds in a binder on Svoboda's desk for Svoboda to process. DB also said that over half of the money received for park rentals was in the form of cash.

Svoboda also used municipal funds to purchase an electric stove for his home, lumber, windows, home electronics, and repairs and upgrades to his personal residence. Numerous purchases were invoiced to Caledonia to be paid, but were not accounted for (located) at the CMPJP or within the Village. Menards was the primary Caledonia vendor where the majority of the misappropriated items were purchased.

An invoice for the purchase of an electric stove for the Caledonia/Mount Pleasant Joint Park Hall, was based on information provided by Svoboda claiming that on a Caledonia Fire Inspection of the Hall, he was directed to remove the current gas stove and replace it with an electric stove. A review of Caledonia Fire Inspections of the Hall, revealed no such directive or recommendation. The invoice for the electric stove was approved on the false premise provided by Svoboda. The electric stove was subsequently installed at Svoboda's residence. The old gas stove is still located in the CMPJP Hall.

Several items were located at Svoboda's home which had been invoiced to the CMPJP. This included the aforementioned electric stove, kitchen fixtures, and other items. According to Caledonia officials, Svoboda had made the purchases through Menards using the account through the Village of Caledonia, which was a tax exempt account. Svoboda would personally deliver the check from the Village to Menard's citing past paperwork errors in processing the invoice.

Menards provided copies of the suspect invoices, which included shipping of items purchased through the Caledonia Menard's account directly to his residence. Muise also prepared an excel spread sheet of the suspect Menard's transactions, billed to Caledonia, that are not accounted for within the Village.

In addition, T.M. located several invoices, billed to Caledonia where Svoboda's personal vehicles were serviced at Gordie Boucher in Kenosha. Svoboda's personal vehicles that were serviced at Gordie Boucher and billed to Caledonia were Svoboda's 2004 Jeep Wrangler (\$43.65) and 2013 Chevrolet Tahoe (\$421.09).

Det Schauer reviewed Svoboda's emails. In reviewing the emails, Det Schauer located a summation report of the Svoboda family expenses versus income. Svoboda claimed "monthly dues" of \$4,529.53. The monthly dues did not include food or other household expenses. Earnings between Svoboda and Valerie were \$5,5570; however, Valerie only worked eight months a year, earning \$1,250 per month. Svoboda earned \$4,318 per month. Det Schauer noted that during the Svoboda's would be often be "under water."

WIPFLi was hired to conduct a forensic analysis of accounts related to Svoboda, the joint park, Kraut Fest and the municipalities. WIPFLi identified a theft of **\$335,912.10** to the Village of Caledonia. Svoboda engaged in a continuing theft/embezzlement from the Village of Caledonia from at least the time period of approximately **2013 through approximately March of 2019**. An additional amount of \$48,212.25 is suspected, but could not be verified. WIPFLi identified a theft of \$15,716.21 to the Village of Mount Pleasant. An additional amount is suspected, but not verified. Svoboda engaged in a continuing theft/embezzlement from the Village of Mount Pleasant from at least the time period of approximately **2013 through approximately March of 2019**

Agent Michael Austin of the Wisconsin Department of Revenue conducted an investigation into potential tax charges for James Svoboda. Agent Austin reviewed the evidence collected by the Mt Pleasant Police Department, Svoboda's income tax returns for 2013 – 2018 and his W-2s for 2013 – 2018. Agent Austin reports that Svoboda claimed to have prepared his own income tax returns using computer software and then submitted the returns to the Department of Revenue using his home internet service. For purposes of his investigation, Agent Austin focused on 2013 – 2018, when Svoboda embezzled \$276,798 from Caledonia; however the total amount embezzled from the village was \$335,912 between January 2013 and March 2019.

For the 2013 – 2018 tax years, Svoboda intentionally submitted false Wisconsin income tax returns showing his wages from Mt Pleasant and Caledonia; however, he intentionally omitted \$276,798 of money that he embezzled from Caledonia. This resulted in Svoboda receiving refunds from the Department of Revenue that he was not entitled to.

For the 2018 tax year, on February 5, 2019, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$88,255. However, he did not include \$67,604 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$4,527 in income tax.

For the 2017 tax year, on February 2, 2018, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$85,828. However, he did not include \$48,047 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$3,129 in income tax.

For the 2016 tax year, on February 1, 2017, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$79,264. However, he did not include \$47,523 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$3,314 in income tax.

For the 2015 tax year, on February 4, 2016, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$62,716. However, he did not include \$46,066 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$3,310 in income tax.

For the 2014 tax year, on February 4, 2015, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$56,314. However, he did not include \$46,243 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$3,366 in income tax.

For the 2013 tax year, on January 31, 2014, Svoboda intentionally submitted a false tax return showing a federal adjusted gross income for him and his wife of \$55,086. However, he did not include \$21,315 in additional income from money that was embezzled from Caledonia. Svoboda owes the Department of Revenue an additional \$1,599 in income tax.

Subscribed and sworn to before me on 05/05/21

Electronically Signed By:

Kelsey L Blumenfeld

Assistant District Attorney

State Bar #: 1105131

Electronically Signed By:

Deputy B. McCord #7052

Complainant