

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION

UNITED STATES OF AMERICA)	DOCKET NO.: 1:18-cr-088-2
)	
v.)	FACTUAL BASIS
)	
JON EUGENE CREIGHTON)	
)	

NOW COMES the United States of America, by and through R. Andrew Murray, United States Attorney for the Western District of North Carolina, and hereby files this Factual Basis in support of the plea agreement filed simultaneously in this matter.

This Factual Basis is filed pursuant to Local Criminal Rule 11.2 and does not attempt to set forth all of the facts known to the United States at this time. By their signatures below, the parties expressly agree that there is a factual basis for the guilty plea(s) that the defendant will tender pursuant to the plea agreement, and that the facts set forth in this Factual Basis are sufficient to establish all of the elements of the crime(s). The parties agree not to object to or otherwise contradict the facts set forth in this Factual Basis.

Upon acceptance of the plea, the United States will submit to the Probation Office a "Statement of Relevant Conduct" pursuant to Local Criminal Rule 32.4. The defendant may submit (but is not required to submit) a response to the Government's "Statement of Relevant Conduct" within seven days of its submission. The parties understand and agree that this Factual Basis does not necessarily represent all conduct relevant to sentencing. The parties agree that they have the right to object to facts set forth in the presentence report that are not contained in this Factual Basis. Either party may present to the Court additional relevant facts that do not contradict facts set forth in this Factual Basis.

1. Buncombe County is a political subdivision of the State of North Carolina, and during each of the calendar years relevant to this case, from 2014 through 2017, it received benefits in excess of \$10,000 pursuant to a Federal program involving a grant, contract, subsidy, loan guarantee, and other forms of Federal assistance.

2. Beginning in 1982 and continuing through December 2017, the defendant JON EUGENE CREIGHTON was an employee of the Buncombe County Government (hereinafter "the County"). In 1985, he became the Director of the County's Department of Planning and Development. In that capacity, he had the responsibility to negotiate contracts between the County and private contractors involving, among other things, construction, engineering, and consulting services. He was also an official who signed some of the contracts on behalf of the County. He remained the Director of that Department until he retired effective December 31, 2017. From 1997 until his retirement, he also had a dual appointment as Assistant County Manager.

3. A person identified herein as “the Contractor” was a registered Professional Engineer. From the mid-1980s through 2017, he was the agent and contractor on behalf of three businesses that obtained contracts with Buncombe County for consulting and engineering services.

4. Beginning before 2014, some County personnel, including the defendant and his co-defendants—the County Manager, Wanda Greene, and the other Assistant County Manager, Amanda Stone—went on trips that were connected in some way with legitimate County business, but during which the Contractor provided such things of value as expensive meals, wine, tickets to sporting events and other excursions, and other things of value. By 2014, the defendant and his co-defendants conspired to execute a pattern and practice of soliciting and accepting trips, valuable gifts, and other things of value from the Contractor that were entirely unrelated to any legitimate County business.

5. The defendant and Greene had the authority to award or deny the contracts that the Contractor’s companies had with the County. During the time period when the Contractor was providing trips and other things of value to Buncombe County’s top three officials—the County Manager and the two Assistant County Managers—the Contractor was also negotiating with the County, usually through the defendant CREIGHTON, and was able to obtain contracts on behalf of the three companies with which he was affiliated. Defendants accepted these trips and other things of value in return for being influenced in their performance of official acts.

6. It was a part of the scheme and artifice to defraud the citizens and Government of Buncombe County that the defendants GREENE, CREIGHTON, and STONE received gifts and other things of value from the Contractor, consisting primarily of expense-paid pleasure trips to such locations as Key West, Boston, Martha’s Vineyard, Maine, Phoenix, San Diego, and the Napa Valley, and to such foreign locations as Vienna, Budapest, Cartagena, and Vancouver. Generally, the Contractor paid for the airplane tickets, hotel rooms, meals and beverages, ground transportation, sightseeing excursions, spa sessions, and gift shop purchases, such as cases of wine from the Napa Valley vineyards that the defendants visited, and health and beauty items from the spas the co-defendants Greene and Stone visited.

7. At some time in 2015, Greene prepared a written list of the places she wanted to go, at the Contractor’s expense, and the proposed dates of travel, and gave that list to the defendant, instructing him to pass it on to the Contractor. The defendant did so. That list included locations such as Key West, Phoenix, Philadelphia, Jackson Hole, and the District of Columbia.

8. To facilitate the charges to the Contractor’s credit cards for such trips and gifts, the Contractor provided the defendant, Greene, and Stone with his credit card numbers and, in the case of the defendant, with the card itself. The defendant, Greene, and Stone then generally used those card numbers to make their airplane reservations for these pleasure trips, although they sometimes charged the County directly for their airline tickets on some of the trips where they timed their excursions to coincide, to some degree, with an official meeting happening in the vicinity.

9. For those trips during which the Contractor accompanied these County employees, he would generally charge the expenses to his card. For the trips during which the Contractor did

not accompany the County employees, they used a copy of the Contractor's actual card to pay for rooms, meals, beverages, gift store purchases, and other incidental expenses.

10. At other times, the defendant used his own credit card to pay for lodging and other expenses, so that he could earn hotel rewards points. The Contractor would then reimburse CREIGHTON for those expenses. The Contractor would sometimes stay at a separate Marriott hotel under CREIGHTON's name during some of these trips, charging that separate hotel room to CREIGHTON's credit card and using CREIGHTON's rewards account number, and then later reimbursing CREIGHTON for the charge.

11. In order to have the County unwittingly continue funding these vacations after her retirement, Greene transferred an additional \$45,000 into the "Professional Services" account within the Defendant's department. On the morning of June 9, 2017, she informed the defendant by email: "Moved \$45K to your professional services for [the Contractor's initials]." The Defendant, however, did not use these funds.

12. In addition to receiving these gifts from the Contractor, the defendant and his co-defendants also took advantage of these trips to defraud the County in at least two other ways: first, by claiming that they had traveled on official County business and therefore not using their annual leave for these trips. By doing so, they were able to preserve their hours of annual leave, which they were later able to "sell" to the County, thereby receiving monetary payments to which they were not legally entitled.

13. The second way in which the defendants used these trips to defraud the County was by submitting *per diem* and expense claims for their supposed costs of meals and incidental expenses incurred during these trips. That is, while in fact their meals and expenses were actually being paid for by the Contractor, they nonetheless obtained cash payments from the County for their supposed dining and incidental costs.

14. As a result of this conspiracy, this defendant received more than \$40,000 in gifts and things of value to which he was not lawfully entitled.


R. ANDREW MURRAY
UNITED STATES ATTORNEY



Richard Lee Edwards
ASSISTANT UNITED STATES ATTORNEY

Defendant's Counsel's Signature and Acknowledgment

I have read this Factual Basis, the Bill of Indictment, and the plea agreement in this case, and have discussed them with the defendant. Based on those discussions, I am satisfied that the defendant understands the Factual Basis, the Bill of Indictment, and the plea agreement. I hereby certify that the defendant does not dispute this Factual Basis.



Christopher Fialko, Attorney for Defendant

DATED: 10/24/18