



ATLANTIC COUNTY PROSECUTOR'S OFFICE

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NEWS RELEASE

For immediate release
April 23, 2013
2 Page(s)

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MAYS LANDING – A former Atlantic City Housing Authority employee has pleaded guilty to official misconduct, theft and tax fraud for defrauding and stealing hundreds of thousands of dollars from the Housing Authority, acting Atlantic County Prosecutor Jim McClain announced today.

This morning, Brian Lewis, 42, of Pleasantville, pleaded guilty to five counts including; second-degree official misconduct, second-degree theft, third-degree theft, third-degree filing a fraudulent tax return and third-degree failure to pay state tax.

On February 21, 2013, an Atlantic County Grand Jury indicted Lewis on 26 counts in connection with stealing money from the Atlantic City Housing Authority by creating and paying fraudulent contractors with Housing Authority funds.

Lewis was indicted on three counts of official misconduct, five counts of theft, five counts of filing a false claim for payment of a government contract, five counts of fraudulently transacting business while acting as a public servant, one count of unsworn falsification to authorities and an additional count of theft by deception for unemployment fraud.

In October of 2010, the Atlantic County Prosecutor's Office Official Corruption Unit, the Federal Bureau of Investigation Public Corruption Task Force and the U.S. Department of Labor - OIG initiated a joint investigation after receiving information from the Housing Authority that some construction and repair jobs were paid to various contractors and the work had not been completed. The Housing Authority reported that some of the work was double and triple billed without completion.

The joint investigation revealed that beginning in 2009, Lewis, who served as an Assistant Buyer for the Housing Authority, used his position to access work orders and contracts for construction and home repairs for Stanley Holmes Village. He then created

fraudulent shell companies and billed the Housing Authority for work, which had already been completed by legitimate companies, and collected the duplicate payments.

The investigation further revealed that Lewis also used his position to award his own fraudulent businesses contracts for construction and repair work, and then did not perform the work despite receiving payments to do so.

Inspections by the Prosecutor's Office Official Corruption Unit confirmed that the contracted repairs were never completed.

Over the course of 16 months, Lewis created at least five fraudulent businesses and defrauded the Housing Authority and the taxpayers of over \$239,000 according to acting First Assistant Prosecutor Diane Ruberton, who represents the State in the case.

During the course of the investigation, detectives also discovered that Lewis had collected unemployment benefits from 2006 to 2008, while he was a full-time employee at the Housing Authority.

Lewis fraudulently collected over \$13,000 in unemployment benefits.

Additionally, Lewis and his wife, Shellie Williams, 40, were both indicted on three counts of filing fraudulent tax returns and three counts of failure to pay state taxes.

Lewis and Williams were charged with the tax offenses as a result of a thorough investigation into the couples' finances by the New Jersey Department of Treasury - Office of Criminal Investigations. The investigation concluded that the couple failed to pay over \$36,600 in state taxes by not reporting the money they fraudulently received.

In accordance with the plea agreement, Lewis will be sentenced to five years in New Jersey State Prison, of which he must serve four years before becoming eligible for parole. Lewis will also forfeit all current or future public employment and be ordered to pay restitution in an amount which has yet to be determined.

It is anticipated that the charges against Williams will be dismissed subject to the couple filling amended tax returns for the years 2009 – 2011, according to Ruberton.

Lewis will be sentenced on September 13, 2013.

Anyone with information involving serious crimes is asked to call the Atlantic County Prosecutor's Office at 609-909-7800 or go to the Prosecutor's Office Web site at <http://www.acpo.org/tips.html> and provide information by filling out the form anonymously on the Submit a Tip page. People can also call Crime Stoppers at 609-652-1234 or 1-800-658-8477 (TIPS) or visit the Crime Stoppers Website at <http://www.crimestoppersatlantic.com/>. Crime Stoppers offers cash rewards for information leading to the arrest and indictment of those who commit crimes in Atlantic County.