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## JOINT PRESS RELEASE: UNITED STATES ATTORNEY'S OFFICE & OHIO ETHICS COMMISSION

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### FOR IMMEDIATE RELEASE:

## FORMER RAVENNA MAYOR CHARGED WITH MAIL FRAUD AND FILING FALSE TAX RETURNS

Gregory A. White, United States Attorney for the Northern District of Ohio, announced today that a criminal information was filed against Paul H. Jones, the Mayor of Ravenna, Ohio, from January 1976 to January 1982 and again from January 1996 through December 2005. Jones, age 56, now resides at 11205 Parkside Place, Bradenton, Florida. The information charges Jones with five counts of mail fraud and three counts of filing false tax returns.

The mail fraud counts allege that Jones, while Mayor, deprived the citizens of the City of Ravenna of the intangible right of Jones' honest services. Jones did so by concealing a conflict of interest arising from his secret interest in his son's lawn mowing business. As Mayor, Jones made decisions affecting the funding of Neighborhood Development Services ("NDS") which, in turn, hired Jones' lawn mowing business. The tax counts allege that Jones failed to report his income from that business on his federal tax returns.

During the time that Jones was Mayor, NDS was a non-profit Ohio corporation which was formed in 1985 (then known as Ravenna Development Corporation) to pursue the development of affordable housing, an improved downtown and a stronger local economy. NDS Management, funded by federal grants that passed through the City of Ravenna, was a for-profit company that provided management services to properties owned and operated by

NDS.

The information alleges that during the period 2001 through 2004, Jones operated and received income from PJ Jones Lawn Mowing Service, a sole proprietorship in the name of Jones' son, that mowed lawns and removed snow for NDS, NDS Management and CED Corporation and other customers. NDS, NDS Management and CED Corporation paid PJ Jones Lawn Mowing Service approximately \$262,068 from 2001 through 2005.

The information alleges that during the period 2001 through 2004, Jones, knowing that in his capacity as Mayor of Ravenna, he had a conflict of interest as a result of the income he received from PJ Jones Lawn Mowing Service, participated in official acts that affected NDS and its related entities.

The information alleges that Jones intentionally attempted to conceal the conflict of interest described above by (1) reporting income (although not all the income) from PJ Jones Lawn Mowing Service on his son's tax returns (resulting in application of a lower tax rate on the income) and (2) intentionally failing to report his interest in and his income from PJ Jones Lawn Mowing Service on his annual Ohio Ethics Commission Financial Disclosure Statements for the years 2001 through 2005.

During the years 2001 through 2005, Ohio law required Jones to file with the Ohio Ethics Commission Financial Disclosure Statements. The Ohio Ethics Commission Financial Disclosure Statements required Jones to list (1) every source of income received in a calendar year, (2) the names under which he or other members of his immediate family did business, and (3) the names of each corporation, trust, partnership or association transacting business in Ohio in which he had an investment of over \$1000.

The information alleges that for the purpose of executing the scheme to deprive the citizens of the City of Ravenna of the intangible right of Jones' honest services, Jones mailed from the City of Ravenna, Ohio, to the Ohio Ethics Commission in Columbus, Ohio, Ohio Ethics Commission Financial Disclosure Statements in which he knowingly failed to list his income from PJ Jones Lawn Mowing Service and also failed to list PJ Jones Lawn Mowing Service as a name under which he or a member of his immediate family did business.

The information alleges that on the following dates Jones filed tax returns that were false in that he did not report a substantial amount of his net profit from PJ Jones Lawn Mowing Service as described more fully below.

| Date      | Schedule C   |   |          |
|-----------|--------------|---|----------|
|           | Return Filed | Net Income (Net Profit)<br>Not Reported | Tax Loss |
| 4/11/2002 | 2001 1040    | \$53,565                                | \$16,810 |
| 3/30/2003 | 2002 1040    | \$58,490                                | \$17,879 |
| 4/3/2004  | 2003 1040    | \$50,632                                | \$15,150 |

If convicted, the Defendant's sentence will be determined by the Court under the Federal Sentencing Guidelines which depend upon a number of factors unique to each case,

including the Defendant's prior criminal record, if any, his role in the offense and the characteristics of the violation. In all cases the sentence will not exceed the statutory maximum (five years on each mail fraud count and three years on each tax count) and in most cases it will be less than the maximum.

United States Attorney Gregory White said this of the information filed today: "This information is another chapter in the federal government's continuing emphasis on the prosecution of public corruption cases. The charges in the information set forth not only a violation of law, but also a violation of the public trust. I want to specifically compliment the agents of the IRS, the FBI and the Ohio Ethics Commission who, with Portage County Prosecutor Victor Vigliucci, worked so hard to build this important case."

The case is being prosecuted by Assistant United States Attorney Ann C. Rowland. An information is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

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