

State of Minnesota
County of Blue Earth

District Court
5th Judicial District

Prosecutor File No. 0070103067
Court File No. 07-CR-22-3677

State of Minnesota,
Plaintiff,

COMPLAINT
Order of Detention

vs.

ROBERT JOHN ANDERSON DOB: 01/28/1956

100 Miner St
Good Thunder, MN 56037

Defendant.

The Complainant submits this complaint to the Court and states that there is probable cause to believe Defendant committed the following offense(s):

COUNT I

Charge: Embezzlement of Public Funds

Minnesota Statute: 609.54, with reference to: 609.54(2)

Maximum Sentence: 10 years or \$20,000 or both

Offense Level: Felony

Offense Date (on or about): 08/25/2020 to 02/04/2022

Control #(ICR#): 22015606

Charge Description: On or between August 25, 2020 and February 4, 2022, in the County of Blue Earth, Minnesota, Robert John Anderson, did convert to his/her own use in any manner or form any portion of the funds of the state, except in the manner prescribed by law, and the value of the funds so embezzled is more than \$2,500.

COUNT II

Charge: Theft-By Swindle

Minnesota Statute: 609.52.2(a)(4), with reference to: 609.52.3(2)

Maximum Sentence: 10 years or \$20,000 fine, or both

Offense Level: Felony

Offense Date (on or about): 08/25/2020 to 02/04/2022

Control #(ICR#): 22015606

Charge Description: On or between August 25, 2020 and February 4, 2022, in the County of Blue Earth, Minnesota, Robert John Anderson, did by swindling, whether by artifice, trick, device, or any other means, obtained property or services from another person and the value of the property or services stolen exceeds \$5,000.00.

COUNT III

Charge: Theft-Take/Use/Transfer Movable Prop-No Consent

Minnesota Statute: 609.52.2(a)(1), with reference to: 609.52.3(2)

Maximum Sentence: 10 years or \$20,000, or both

Offense Level: Felony

Offense Date (on or about): 08/25/2020 to 02/04/2022

Control #(ICR#): 22015606

Charge Description: On or between August 25, 2020 and February 4, 2022, in the County of Blue Earth, Minnesota, Robert John Anderson, did, intentionally and without claim of right take, use, transfer, conceal or retain possession of the movable property of another without the other's consent and with intent to deprive the owner permanently of possession of the property and the value of the property or services stolen exceeded \$5,000.00.

COUNT IV

Charge: Public Officers -- Interest in Contract Violation

Minnesota Statute: 471.87

Maximum Sentence: 1 year or \$3,000 fine or both

Offense Level: Gross Misdemeanor

Offense Date (on or about): 08/25/2020

Control #(ICR#): 22015606

Charge Description: On or about August 25, 2020, in the County of Blue Earth, Minnesota, Robert John Anderson, did, as a public officer who is authorized to take part in any manner in making any sale, lease, or contract in official capacity, voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.

COUNT V

Charge: Public Officers -- Interest in Contract Violation

Minnesota Statute: 471.87

Maximum Sentence: 1 year or \$3,000 fine or both

Offense Level: Gross Misdemeanor

Offense Date (on or about): 05/04/2021 to 02/04/2022

Control #(ICR#): 22015606

Charge Description: On or between May 4, 2021 and February 4, 2022, in the County of Blue Earth, Minnesota, Robert John Anderson, did, as a public officer who is authorized to take part in any manner in making any sale, lease, or contract in official capacity, voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.

COUNT VI

Charge: Public Officers -- Interest in Contract Violation

Minnesota Statute: 471.87

Maximum Sentence: 1 year or \$3,000 fine or both

Offense Level: Gross Misdemeanor

Offense Date (on or about): 07/02/2021

Control #(ICR#): 22015606

Charge Description: On or about July 2, 2021, in the County of Blue Earth, Minnesota, Robert John

Anderson, did, as a public officer who is authorized to take part in any manner in making any sale, lease, or contract in official capacity, voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.

COUNT VII

Charge: Public Officers -- Interest in Contract Violation

Minnesota Statute: 471.87

Maximum Sentence: 1 year or \$3,000 fine or both

Offense Level: Gross Misdemeanor

Offense Date (on or about): 04/19/2022

Control #(ICR#): 22015606

Charge Description: On or about April 19, 2022, in the County of Blue Earth, Minnesota, Robert John Anderson, did, as a public officer who is authorized to take part in any manner in making any sale, lease, or contract in official capacity, voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially therefrom.

STATEMENT OF PROBABLE CAUSE

The Blue Earth County Sheriff's Office received information from Office of the State Auditor (OSA) regarding concerns about a purchase of real property by the City of Good Thunder (City). The information provided indicated the OSA observed several potential conflict of interest concerns between City and City's Mayor, Robert Anderson (DOB 01-28-1956). The information included Anderson, the Mayor, a public officer authorized to make a City sale, lease, or contract in an official capacity, appears to have had a personal financial interest in or personally benefitted financially from a City purchase agreement in violation of Minn. Stat. § 471.87, City failed to follow the requirements of Minn. Stat. § 471.89 when it contracted with Anderson's business for services, Anderson performed work on, and may have benefitted from a City project as a subcontractor, and the City paid \$24,671.30 for concrete materials that were shipped to Anderson's business location paying for certain non-City expenses.

Property records indicate the City purchased a property on July 2, 2021. OSA reviewed copies of the City's purchase agreement and warranty deed for the new City Property, meeting minutes in which the City Council discussed the new City Property, and the audio recordings of certain meetings. Anderson signed a purchase agreement on behalf of the City dated June 10, 2021, for the property. It appears the City agreed to purchase 12,000 square feet of real property for \$50,000. The City's purchase agreement required the seller to comply with certain contingencies in order for the City to purchase the property. The contingencies were: "the execution and recording of a Driveway Easement and Maintenance Agreement related to adjacent property between Seller and R J Anderson Property LLC ..." and "[s]eller closing on its sale of adjacent property to R J Anderson Property LLC...". Minnesota Secretary of State's business filings for R.J. Anderson Property LLC report that the business's registered office address was at 100 Miner Street North, Good Thunder, Minnesota 56037. Blue Earth County public property records list Anderson as the primary owner of the residential home at this address. It appears R.J. Anderson Property LLC is a business owned by Anderson.

OSA reviewed a letter from the City Attorney that informed the Council that Anderson appeared to have a direct conflict of interest in the transaction he should recuse himself from any discussion on the matter and the purchase agreement would need to be signed by somebody else, yet Anderson signed the Purchase Agreement. The September 2021 City Council meeting minutes report that Anderson responded to a question from a citizen about the new City property. Anderson stated "the city paid \$50,000 for that property, which is 80 x 100 ft" and he reported that he "paid \$10,000 for his 40 x 100 ft" section." It appears Anderson closed on a sale of adjacent property consistent with the second contingency of the City purchase agreement and had a personal financial interest in or personally benefitted financially from the City's purchase of the property.

OSA contacted the City and requested all invoices the City received from any of Anderson's businesses from January of 2020 through April 30, 2022, and check stubs for any payments made to pay the invoices. The City provided OSA with a copy of two invoices from "Anderson Trucking" dated August 25, 2020, and April 19, 2022, for rock hauling. The check stubs for City check shows that the City paid "Anderson Trucking Inc." \$1,723.33, the total amount of the August 25, 2020, invoice, on September 16, 2020. The City reported that it had not yet paid the April 19, 2022, invoice which totaled \$1,000.56 at the time of the request. The documents indicate that the City did contract with Anderson's business. City Council meeting minutes do not document that the City Council approved this contract for goods or services with Anderson's business, and the City reported that it did not pass a resolution nor did Anderson submit an affidavit when his business sent claims to the City.

Certain City Council meeting minutes in 2021 discuss a City sidewalk project. The City reported receiving two estimates for the replacement of sidewalks located at Sherman Street and Houk Street during the

August 2, 2021, City Council special meeting. The City received two estimates for the project which both included a rate for "removal," however the City discussion about the project only appears to consider one of the estimates. The Council Meeting minutes document that Anderson had conversations with the contractor who provided the estimate the City discussed, about modifications to the project. The meeting minutes also document that Anderson would perform some of the work, if the City hired the contractor. The City hired the contractor and paid him \$54,938 to replace certain City sidewalks. Anderson was the sole signatory on the check for \$54,938 to pay the contractor. The meeting minutes document that Anderson voted on this matter. The City reported to OSA that the contractor subcontracted bobcat work to remove the old sidewalk to Anderson. City Council meeting minutes confirm that he was on-site working on the project. City records do not document whether Anderson was paid for his work on the project.

During the OSA review, the City informed OSA that the City received invoices from a concrete vendor that appeared to bill the City for materials shipped to Anderson's business address. In response, OSA requested and received from the City all of the invoices the City received from the concrete vendor. In total the City received 28 invoices for materials from the concrete vendor dated July of 2021 through October of 2021. Fifteen of the invoices document materials billed to the City that indicate the materials should "ship to" Anderson's business address at 535 Main Street. These fifteen invoices were paid by City checks dated from August of 2021 through March of 2022. In total the City paid \$24,671.30 for these invoices, submitted for over 150 cubic yards of concrete delivered to Anderson's business. OSA reviewed City Council meeting minutes for information about the invoices.

The City Council meeting minutes from May of 2021 document that the City discussed a bill "submitted" to the City "for concrete reimbursement for" sidewalks in front of Anderson's business "in the amount of \$4,004.72."³⁶ The City Council approved this bill and Anderson abstained, however the amount approved by the City Council and OSA noted the timing of the project does "not appear to correspond with any of the invoices the City sent OSA." OSA reviewed posted pictures and statements from a social media site for "RED IRON Mercantile LLC," Anderson's business. The business social media post on May 4, 2021, shows pictures of concrete being poured in the parking lot of the business and stated "Sidewalk and approach completed." Pictures also show additional concrete work at this business location in postings dated August 8, 2021, October 3, 2021, October 12, 2021, and October 16, 2021.

OSA requested records from the City to verify that the concrete the City paid for was only the concrete used for the City sidewalk. The City provided a copy of a check signed by Mayor Anderson from the bank account of RJ Anderson Property, LLC to the City for \$975 dated April 19, 2022. The memo of the check notes "cement." According to the City, Anderson wrote this check to reimburse the City for some of the concrete material it paid for.

In the information submitted to the Blue Earth County Sheriff's Office, OSA noted "It appears the City paid \$24,671.30 for concrete materials that were shipped to the Mayor's business location and that this use of public funds paid for certain non-City expenses; the City has not produced documentation demonstrating how much of this amount, if any, was for legitimate City expenses."

The investigation is ongoing.

SIGNATURES AND APPROVALS

Complainant requests that Defendant, subject to bail or conditions of release, be:
(1) arrested or that other lawful steps be taken to obtain Defendant's appearance in court; or
(2) detained, if already in custody, pending further proceedings; and that said Defendant otherwise be dealt with according to law.

Complainant declares under penalty of perjury that everything stated in this document is true and correct. Minn. Stat. § 358.116; Minn. R. Crim. P. 2.01, subds. 1, 2.

Complainant

Joe Flavin
Deputy Sheriff
401 Carver Rd
Mankato, MN 56002-0228
Badge: 2729

Electronically Signed:
10/20/2022 01:28 PM
Blue Earth County, MN

Being authorized to prosecute the offenses charged, I approve this complaint.

Prosecuting Attorney

Todd Coryell
Assistant County Attorney
401 Carver Road
PO Box 3129
Mankato, MN 56002
(507) 304-4600

Electronically Signed:
10/20/2022 01:15 PM

FINDING OF PROBABLE CAUSE

From the above sworn facts, and any supporting affidavits or supplemental sworn testimony, I, the Issuing Officer, have determined that probable cause exists to support, subject to bail or conditions of release where applicable, Defendant's arrest or other lawful steps be taken to obtain Defendant's appearance in court, or Defendant's detention, if already in custody, pending further proceedings. Defendant is therefore charged with the above-stated offense(s).

SUMMONS

THEREFORE YOU, THE DEFENDANT, ARE SUMMONED to appear as directed in the Notice of Hearing before the above-named court to answer this complaint.

IF YOU FAIL TO APPEAR in response to this SUMMONS, a WARRANT FOR YOUR ARREST shall be issued.

WARRANT

To the Sheriff of the above-named county; or other person authorized to execute this warrant: I order, in the name of the State of Minnesota, that the Defendant be apprehended and arrested without delay and brought promptly before the court (if in session), and if not, before a Judge or Judicial Officer of such court without unnecessary delay, and in any event not later than 36 hours after the arrest or as soon as such Judge or Judicial Officer is available to be dealt with according to law.

Execute in MN Only

Execute Nationwide

Execute in Border States

ORDER OF DETENTION

Since the Defendant is already in custody, I order, subject to bail or conditions of release, that the Defendant continue to be detained pending further proceedings.

Bail: \$
Conditions of Release:

This complaint, duly subscribed and sworn to or signed under penalty of perjury, is issued by the undersigned Judicial Officer as of the following date: October 20, 2022.

Judicial Officer

Andrea Jo Lieser
District Court Judge

Electronically Signed: 10/20/2022 02:08 PM

Sworn testimony has been given before the Judicial Officer by the following witnesses:

**COUNTY OF BLUE EARTH
STATE OF MINNESOTA**

State of Minnesota

Plaintiff

vs.

Robert John Anderson

Defendant

*LAW ENFORCEMENT OFFICER RETURN OF SERVICE
I hereby Certify and Return that I have served a copy of this Order of
Detention upon the Defendant herein named.*

Signature of Authorized Service Agent: