Pasco man pleads guilty in largest public sector embezzlement case in state history

Local News

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Pasco—Dennis Merle Huston of Pasco, Wash., entered a plea of guilty as charged in Franklin County Superior Court today, after admitting to a complicated embezzlement scheme involving millions of dollars, dating back to March 1990. The state auditor’s office says this is the largest public embezzlement case in state history.The Washington Attorney General’s Office charged the former Franklin County employee with Theft in the First Degree and Money Laundering, both with aggravators that allow for a higher sentence, as well as Possession of Cocaine.Huston could be sentenced to as many as 25 years in prison and required to pay $2,842,939.10 in restitution. Sentencing will take place in the next 6 to 8 weeks. “I’m proud of the work of our criminal justice division in helping to bring this case to justice—especially Assistant Attorney General Scott Marlow and Senior Investigator Gregg Mixsell,” said Attorney General Bob Ferguson. “Taxpayers place trust in their public employees and this case sends a message that those who abuse the public trust will be held accountable.”Ferguson also credited the Franklin County Auditor’s Office for discovering the scheme and the Pasco Police Department and the State Auditor’s Office for investigating the crime. The Attorney General’s Office received the request for assistance from the Franklin County Prosecutor due to a potential conflict.

Background: The former Franklin County Public Works director for administration and accounting admitted that, from March 1990 to February 2012, he fraudulently submitted invoices and payment requests for Critzer Equipment Company, then deposited the money into a company bank account he had opened.The county processed invoices and payments even after November 2001, when the legitimate business closed down. In some cases, Franklin County made two to three payments of $4,000 to $9,000 a month. When investigators notified the former owner of Critzer Equipment Company, he told them his company wasn’t involved in selling parts typically used by a county public works department.The Franklin County Auditor’s Office discovered the possible fraud in January 2012 while reviewing the paperwork of Franklin County vendors. The Pasco Police Department started an investigation and obtained a search warrant for the bank records of the Critzer Equipment Company business account. A signature card showed Huston as the sole proprietor of Doyle BR/Critzer Equipment.Investigators found numerous withdrawals from ATMs, payments to Huston’s credit card accounts using checks from the Doyle BR/Critzer bank account, and payments to Huston as cash. Investigators say Huston’s signature was on all the checks. At the end of January, when another check came through for approval, surveillance video showed Huston making a deposit at the bank holding the Critzer Equipment Company business account. Officers arrested Huston on Feb. 2, 2012, at the Franklin County Public Works building. Investigators say he admitted to creating the Critzer Equipment Company vouchers on his office computer, forging the initials of others to indicate the vouchers had been approved and the parts received and submitting the vouchers. Huston told investigators he used the money to buy cocaine and gamble at a local casino.Police found suspected cocaine among personal items taken from him upon his arrest and sent it to the State Patrol Crime Lab in Kennewick where testing confirmed the substance as

cocaine. Huston admitted the cocaine was on his person at the time of the arrest.