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Trial opens with focus on Billie

Three former Seminole Tribe employees are accused of misappropriating millions.

By JEFF TESTERMAN, Times Staff Writer

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FORT LAUDERDALE -- The federal government opened its prosecution of three former employees of the Seminole Tribe on Monday with a promise to prove that the trio conspired to embezzle \$2.77-million.

While answering only to Seminole Chairman James E. Billie, federal prosecutors said, the three men laundered the money through a shell corporation in Belize, then created a set of phony invoices to hide the crimes.

Defense lawyers countered with their own promise: to make Billie, targeted by a federal corruption task force but never charged with a crime, the "centerpiece of the case" now being tried in U.S. District Court in Fort Lauderdale, just a few miles from Seminole headquarters in Hollywood.

Kenneth Lipman, the attorney for former tribal operations manager Timmy Cox, told a 12-person jury Monday that Billie, after being elected in 1979, lifted the tribe from "grinding poverty" with plans to offer high-stakes bingo and other forms of Indian gambling that now put more than \$1-million a day in tribal coffers.

The diversion of \$2.77-million to Belize by Cox and two partners, Lipman said, was Billie's latest attempt to boost tribal revenues, this time with a secret plan to set up an off-shore Internet gambling site. The money was legally taken from a multimillion-dollar allocation given to Billie as an elected councilman and quietly invested in the Belize site, Lipman said, because of a bill pending in Congress that would have made such gambling sites illegal.

Lipman asserted that an indictment of Billie was the real prize sought by federal prosecutors. He said the charges against Cox and partners Danny Wisher and Michael Crumpton were an effort to turn them into government witnesses.

"This is the James Billie case, and these three men were indicted in hopes they'll testify against James Billie," Lipman told jurors in his opening statement. "But these men will not do that because they don't believe James Billie did anything wrong."

Defense attorneys told federal Judge William P. Dimitrouleas that they intend to call Billie as a defense witness in a trial expected to last at least 10 days.

Billie led the Seminoles for two decades until being ousted by the tribal council last year. Tribal leaders suspended Billie as FBI agents began tracking tribal business by attending Seminole council meetings.

Billie was told he could not return until a forensic audit of tribal finances was complete. That audit turned up the missing \$2.77-million that led to the indictments of Cox, Wisher and Crumpton.

The three men were indicted in June on federal charges of conspiracy, embezzlement and money laundering. They face maximum sentences ranging from 90 to 115 years in prison, as well as fines and forfeiture of property equivalent to \$2.77-million.

Already convicted in the federal investigation is Charles Kirkpatrick, a former CIA employee who was the tribe's director of aviation. Kirkpatrick was sentenced to 13 months in federal prison for filing a false income tax statement by failing to report \$619,000 in hidden commissions he was paid on the sale of tribal aircraft.

In an interview at a federal prison camp in Montgomery, Ala., this summer, Kirkpatrick told the St. Petersburg Times that he split the commissions with Billie, paying his boss an unspecified amount of cash.

Cox, 33, was a former small-town police officer in Georgia who lost his certification for lying before moving to Florida and gaining employment with the tribe. Under Billie's wing, Cox began what prosecutor Edward N. Stamm called a "meteoric rise" to become "the gatekeeper to James Billie."

In 29 months, Cox rose from a \$19,240-a-year urine tester in the Seminole human relations department to a \$170,019-a-year operations manager overseeing all tribal business.

According to Stamm, Cox took control of the tribe's \$25-million investment portfolio in the spring of 2000, then wrote three checks totaling \$2.77-million to a company called Virtual Data, a Delaware company set up by Crumpton. Within days, \$2.58-million of the money was wired to a Belize account of a company called Global Solutions, controlled by Wisher.

Wisher, initially hired as a tribal computer services expert, teamed with Cox to use the money to buy the Legends Hotel in Managua, Nicaragua, a facility that the men converted to a Hard Rock Live Hotel. Crumpton, who is Wisher's son-in-law, used his general contractor's license to oversee the hotel renovation.

Although Crumpton filed corporate papers for Virtual Data, deposited money to the company's account and was listed as a corporate officer, he told federal agents that he knew nothing about Virtual Data, Stamm said. As a result, Crumpton was charged with making false statements to federal investigators.

Stamm told jurors Monday that the testimony of Michael Scott, a former Wisher employee who will testify under a grant of immunity, would help seal the government's case.

"The role Scott played as it all began to unravel," Stamm said, "was to produce three phony invoices" to cover up the three checks Cox had written to Virtual Data. The invoices, purportedly for data services, were edited and approved by Cox, Stamm said.

But Lipman said "every single thing these men did was under the authority of James Billie."

Lipman also offered the theory that the 2,800-member Seminole Tribe is "an entirely different culture, a culture of hunters, of people who know nothing of money." Insisting the fortune funneled from Florida to Belize to Nicaragua was a legal use of a tribal allocation to Billie, Lipman promised to present testimony about funds misspent by other tribal officials.

"Wait til you see how the money was spent," he told jurors. "It went for breast implants for someone's wife, for flying off to the Super Bowl, for box seats at Miami Dolphins games.

"Millions and millions in allocations, just wasted."

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