

PROB 12C
(NEP 4/2013)

SEALED

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEBRASKA**

Petition for Warrant or Summons for Offender Under Supervision

Offender:	Vincent J. Palermo	Docket No. 8:19CR00108
Type of Supervision:	Probation	Date of This Report: April 24, 2023
Sentencing Judge:	The Honorable John M. Gerrard Senior U.S. District Judge	
Offense of Conviction:	3 Counts Failure to File Tax Return 26 U.S.C. § 7203	
	Date Sentenced: December 18, 2019	
	Original Sentence: 4 Years Probation	
Supervision Term:	December 18, 2019 through December 17, 2023	
Prepared By:	Assistant U.S. Attorney:	Defense Attorney:
Morisha A. Brown	Steven A. Russell	James M. Davis

PETITIONING THE COURT

The undersigned probation officer recommends that a Warrant be issued for service upon Vincent J. Palermo and that a hearing be held by the Court to determine whether the offender has violated the conditions of supervision as set forth in this report and to determine whether the offender's supervision should be revoked or continued, modified, and/or extended based on the alleged violations. A Warrant is requested as Vincent J. Palermo poses a flight risk. To expedite the issuance of the warrant, the Violation Provision and Recommendations document will be submitted separately by May 5, 2023.

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The probation officer believes the offender has violated the following conditions of supervision:

Allegation No.

1

Nature of Noncompliance

Vincent J. Palermo is in violation of **the Mandatory Condition** which states, "You must not commit another federal, state, or local crime."

Between January 1, 2018, and April 1, 2023, it is alleged Mr. Palermo received personal and financial benefits, to include airfare, luxury hotel accommodations, travel arrangements, and other items of value in exchange for official actions and with the intent to influence official actions as city councilman to benefit the Latino Police Officers Association ("LPOA"), Police Athletics for Community Engagement ("PACE"), Richard Gonzalez, Johnny Palermo, and himself.

Furthermore, it is alleged Mr. Palermo failed to disclose donations and grant money provided to him for travel as required by state law. Mr. Palermo misrepresented his familial relationship with Johnny Palermo, failing to mention that they are cousins.

Additionally, Mr. Palermo had a role in selecting non-profits to receive firework permits. It is alleged, his consistent selections of LPOA and PACE for permits allowed Richard Gonzalez to negotiate greater sums of money from local firework vendors to benefit LPOA and PACE over nonprofits in the City of Omaha who were not favored by Mr. Palermo.

During the same time period, it is alleged Mr. Palermo also devised a scheme to defraud the public and people of the City of Omaha of their intangible right to the honest services as a city councilman. The scheme included Mr. Palermo awarding contracts to Omaha Glass Pro totaling around \$93,000. Omaha Glass Pro provided Mr. Palermo a 2018 red Chevrolet truck and ultimately paid off the loan from the same account the funds were deposited into. Mr. Palermo failed to report these financial benefits and property as required by state law.

Between November 1, 2018, and April 5, 2023, Mr. Palermo did allegedly knowingly and intentionally execute and attempt to execute a scheme or artifice to defraud First National Bank of Omaha, to obtain \$68,750, which was ultimately forgiven through the Paycheck Protection Program "PPP" loan application. Mr. Palermo concealed in the application that he had greater than 20% interest in Vinny's Tree Service and that he was disqualified from receiving the loan due to his status on federal probation.

Between January 1, 2017, to April 1, 2023, it is alleged Mr. Palermo used a city contractor to pour 2,800 square feet worth of concrete in his backyard, however, it was falsely billed at 1,600 square feet. Furthermore, Mr. Palermo voted for the contractor to receive one contract and one contract extension. He paid for the service in case, in an attempt to conceal the transaction and failed to disclose as required under state law.

Between April 2, 2019, and April 5, 2019, Mr. Palermo submitted his 2018 Statement of Financial Interests electronically with the Nebraska Accountability and Disclosure Commission. It is alleged he omitted rent payments, vehicle loan payments, tax payments, travel benefits, such as hotel room costs and airfare, and other income benefits or gifts over \$100 in value.

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On April 13, 2020, Mr. Palermo submitted his 2019 Statement of Financial Interests electronically with the Nebraska Accountability and Disclosure Commission. It is alleged he omitted rent payments, vehicle loan payments, tax payments, travel benefits, such as hotel room costs and airfare, and other income benefits or gifts over \$100 in value.

On February 19, 2021, Mr. Palermo submitted his 2020 Statement of Financial Interests electronically with the Nebraska Accountability and Disclosure Commission. It is alleged he omitted rent payments, vehicle loan payments, tax payments, travel benefits, such as hotel room costs and airfare, and other income benefits or gifts over \$100 in value.

On March 1, 2022, Mr. Palermo submitted his 2021 Statement of Financial Interests electronically with the Nebraska Accountability and Disclosure Commission. It is alleged he omitted rent payments, vehicle loan payments, tax payments, travel benefits, such as hotel room costs and airfare, and other income benefits or gifts over \$100 in value.

On March 1, 2023, Mr. Palermo submitted his 2022 Statement of Financial Interests electronically with the Nebraska Accountability and Disclosure Commission. It is alleged he omitted an approximate \$10,800 discount on concrete work, commercial rent payments, vehicle loan payments, tax payments, travel benefits, such as hotel room costs and airfare, and other income benefits or gifts over \$100 in value.

As a result of Mr. Palermo's conduct, a warrant was issued on April 20, 2023 (docket: 4:23CR3052), in the U.S. District Court of Nebraska, charging Mr. Palermo with Honest Services Fraud Conspiracy (felony), two counts of Honest Services Fraud (felony), and Bank Fraud (felony). He was arrested on April 21, 2023. As of the writing of this report, Mr. Palermo remains in custody.

If the Court finds the offender has violated this condition, which is a grade A or B violation, revocation is mandatory.

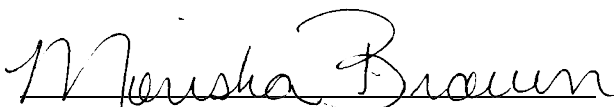
- 2 Vincent J. Palermo is in violation of **Standard Condition #3** which states, "You must not knowingly leave the federal judicial district where you are authorized to reside without first getting permission from the court or the probation officer. "

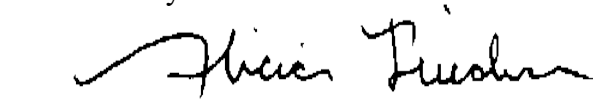
In 2021 and 2022, Mr. Palermo left the jurisdiction without approval from the court or the probation officer. It is alleged Mr. Palermo traveled to San Diego, CA in September 2022 and Houston, TX in 2021. He did not request permission to leave the district in either instance.

I declare under penalty of perjury that the forgoing is true and correct.

Respectfully submitted,

Reviewed by:


 Morisha A. Brown
 U.S. Probation and Pretrial Services Officer


 Alicia Friedman, Supervising
 U. S. Probation and Pretrial Services Officer

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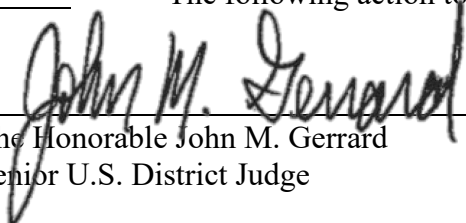
THE COURT ORDERS THAT:

_____ No action shall be taken.

X_____ A Warrant shall be issued for service upon Vincent J. Palermo and a hearing held by the Court to determine whether Vincent J. Palermo has violated the conditions of supervision as set out in the foregoing report and to determine whether the term of supervision should be revoked, continued, modified, and/or extended based on the alleged violations.

_____ The U. S. Probation Officer shall summons Vincent J. Palermo to appear for a hearing in court to determine whether Vincent J. Palermo has violated the conditions of supervision as set out in the foregoing report and to determine whether the term of supervision should be revoked, continued, modified, and/or extended based on the alleged violations.

_____ The following action to be taken (specify other action):



The Honorable John M. Gerrard
Senior U.S. District Judge

April 25, 2023

Date

*** * * NOTICE TO OFFENDER * * ***

Pursuant to the Federal Rules of Criminal Procedure 32.1(b)(2) you are entitled to:

- (A) written notice of the alleged violation(s);**
- (B) disclosure of the evidence against you;**
- (C) an opportunity to appear, present evidence, and question adverse witnesses unless the court determines that the interest of justice does not require the witness to appear;**
- (D) notice of your right to retain counsel or to request that counsel be appointed if you cannot obtain counsel.**