

Edwardsville Police/Bank Teller Both Play Big Role In Arrests: Second Man Sentenced to Prison in Traveling Fraud Scam

by Dan Brannan, Content Director
May 21 2021 10:13 AM



BENTON – Johnny J. Collado, 30, of Bronx, New York, was sentenced today to 28 months in federal prison and 2 years of court supervision after his release. The investigation was conducted by the Edwardsville Police Department and United States

Secret Service. The case is being prosecuted by Assistant United States Attorney Luke J. Weissler.

In January, Collado pled guilty to conspiracy to commit bank fraud and aggravated identity theft. His co-defendant, Elvin Lugo-Cales, was sentenced to 51 months in prison on May 6. On March 2, 2020, Collado and Lugo-Cales flew from New York to St. Louis for the sole purpose of defrauding banks using stolen identities.

The two were paid members of a criminal organization based in New York. Collado was the driver and coordinated the scheme through text messages with a co-conspirator in New York. Lugo-Cales was known in the scheme as a “soldier” – a person willing to travel to a new city, walk into banks, and conduct fraudulent transactions face-to-face with bank tellers using fake IDs and counterfeit checks.

Edwardsville Police became involved in the case on March 5, 2020, Collado drove Lugo-Cales in a rental car to a US Bank location in Edwardsville, Illinois. Lugo-Cales went inside the bank while Collado waited in the car. Lugo-Cales walked up to a bank teller and presented a counterfeit check in the amount of \$3,650.00 made payable to an identity theft victim from Colorado.

The check had a forged endorsement and the victim’s social security number written on the back. Lugo-Cales also presented a false U.S. passport card bearing Lugo-Cales’ photograph and the name of the victim. He then asked the bank teller to cash the check. The astute bank teller recalled an internal e-mail she had received warning branches about a man traveling around the St. Louis area attempting to cash counterfeit checks. Seeing that Lugo-Cales fit the description of the suspect, she notified her bank manager and stalled the transaction while the bank manager called the police.

Lugo-Cales grew nervous and demanded the bank teller return his check and passport card. When the teller refused, he left the bank and drove away with Collado, leaving behind the counterfeit check and passport card with his picture on it. The two men were pulled over and arrested nearby.

Police found numerous items concealed under Collado’s clothing, including over \$25,000 in cash, multiple counterfeit IDs, counterfeit credit cards, and 19 blank counterfeit checks. A subsequent search of Collado’s cell phone revealed that he had traveled to at least two other cities to conduct the same scam with the names and banking information of at least 45 identity theft victims.

During the sentencing hearing, United States District Judge Staci M. Yandle remarked that “identity theft is a big problem that has severe and lasting consequences” for victims.

