

State of Minnesota
County of Stearns

District Court
7th Judicial District

Prosecutor File No. 37.HT84.0273
Court File No. 73-CR-25-971

State of Minnesota,

COMPLAINT

Plaintiff,

Summons

vs.

KEITH LAWRENCE SCHAEFER DOB: 07/18/1967

24555 Co Rd 23
Richmond, MN 56368

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: Racketeering

Minnesota Statute: 609.903.1(1), with reference to: 609.904.1

Maximum Sentence: Imprisonment for not more than 20 years, or to payment of a fine of not more than \$1,000,000, or both

Offense Level: Felony

Offense Date (on or about): 02/04/2015 to 02/03/2025

Control #(ICR#): 20231112

Charge Description: Between February 4, 2015, and February 3, 2025, in Stearns County, Minnesota, the defendant, Keith Lawrence Schaefer, was employed by or associated with an enterprise and intentionally conducted or participated in the affairs of the enterprise by participating in a pattern of criminal activity.

COUNT II

Charge: Wage Theft (Over \$5,000)

Minnesota Statute: 609.52.2(a)(19), with reference to: 609.52.3(2)

Maximum Sentence: Imprisonment for not more than 10 years, or to payment of a fine of not more than \$20,000, or both

Offense Level: Felony

Offense Date (on or about): 02/03/2022 to 06/30/2022

Control #(ICR#): 20231112

Charge Description: Between February 3, 2022, and June 30, 2022, in Stearns County, Minnesota, the defendant, Keith Lawrence Schaefer, with intent to defraud, failed to pay employees all wages, salaries, gratuities, earnings, or commissions at the employees' rates of pay or at the rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, and the aggregated value of the unpaid wages

exceeded \$5,000.

COUNT III

Charge: Wage Theft (Over \$5,000)

Minnesota Statute: 609.52.2(a)(19), with reference to: 609.52.3(2)

Maximum Sentence: Imprisonment for not more than 10 years, or to payment of a fine of not more than \$20,000, or both

Offense Level: Felony

Offense Date (on or about): 07/01/2022 to 12/31/2022

Control #(ICR#): 20231112

Charge Description: Between July 1, 2022, and December 31, 2022, in Stearns County, Minnesota, the defendant, Keith Lawrence Schaefer, with intent to defraud, failed to pay employees all wages, salaries, gratuities, earnings, or commissions at the employees' rates of pay or at the rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, and the aggregated value of the unpaid wages exceeded \$5,000.

COUNT IV

Charge: Wage Theft (Over \$5,000)

Minnesota Statute: 609.52.2(a)(19), with reference to: 609.52.3(2)

Maximum Sentence: Imprisonment for not more than 10 years, or to payment of a fine of not more than \$20,000, or both

Offense Level: Felony

Offense Date (on or about): 01/01/2023 to 06/30/2023

Control #(ICR#): 20231112

Charge Description: Between January 1, 2023, and June 30, 2023, in Stearns County, Minnesota, the defendant, Keith Lawrence Schaefer, with intent to defraud, failed to pay employees all wages, salaries, gratuities, earnings, or commissions at the employees' rates of pay or at the rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, and the aggregated value of the unpaid wages exceeded \$5,000.

COUNT V

Charge: Wage Theft (Over \$5,000)

Minnesota Statute: 609.52.2(a)(19), with reference to: 609.52.3(2)

Maximum Sentence: Imprisonment for not more than 10 years, or to payment of a fine of not more than \$20,000, or both

Offense Level: Felony

Offense Date (on or about): 07/01/2023 to 12/31/2023

Control #(ICR#): 20231112

Charge Description: Between July 1, 2023, and December 31, 2023, in Stearns County, Minnesota, the defendant, Keith Lawrence Schaefer, with intent to defraud, failed to pay employees all wages, salaries, gratuities, earnings, or commissions at the employees' rates of pay or at the rates required by law, including any applicable statute, regulation, rule, ordinance, government resolution or policy, contract, or other legal authority, whichever rate of pay is greater, and the aggregated value of the unpaid wages exceeded \$5,000.

STATEMENT OF PROBABLE CAUSE

Your Complainant, Nicholas Riba, states as follows:

I am a Special Agent with the Minnesota Bureau of Criminal Apprehension, and I am a licensed peace officer in the State of Minnesota. As part of my duties, I investigate violations of Minnesota law, including racketeering in violation of Minn. Stat. § 609.903 and wage theft in violation of Minn. Stat. § 609.52, et seq.

I base this complaint on my personal knowledge, as well as information I have received from other law enforcement personnel and persons with knowledge of relevant facts, including, but not limited to, reports by other investigators, witness interviews, and other records and evidence I have reviewed during the course of my investigation. I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause to believe that the defendant committed the offenses alleged in this complaint.

KEITH LAWRENCE SCHAEFER ("Defendant") is the manager of Evergreen Acres Dairy, LLC ("Evergreen"), a limited liability company registered in the State of Minnesota since 2007. Evergreen's business headquarters and primary dairy farm are located in Paynesville, Stearns County, Minnesota. Defendant is listed as the Chief Manager and President of Evergreen according to Evergreen's "Minutes of Special Joint Action by the Board of Governors and Members of Evergreen Acres Dairy, LLC Taken Without a Meeting," dated January 1, 2013.

The Evergreen Employee Handbook identifies Defendant and his wife as the owners of Evergreen. Defendant's wife gifted her ownership interest in Evergreen to Defendant, which was memorialized in a "Memorandum of Gift of Limited Liability Company Interest," dated June 9, 2016. The handbook instructs employees to contact the owner if they have any questions or concerns about their job description, salary administration, or immigration concerns. The handbook instructs employees to contact the owner if they need to access to their personnel files or modify their personnel data. Under the section entitled "Problem Resolution," the handbook notes that "the Owner has full authority to make any adjustment that is determined to be appropriate to resolve a problem." Throughout his time as owner and manager of Evergreen, Defendant has regularly participated in the day-to-day operations of Evergreen, including hiring, firing, scheduling, and payroll management, including handling disputes regarding payment of wages. Employees reported that, while wages were typically paid through Evergreen payroll, Defendant would sometimes issue personal checks for unpaid wages.

During interviews of numerous current and former employees of Evergreen, employees noted various concerns. Such concerns included being underpaid for work, being subjected to unsanitary living conditions, and being threatened by Defendant during their employment at Evergreen. Reports by workers included the following:

N.G.C. started working for Evergreen in April 2021, when he was 15 years old. N.G.C. reported regularly working upwards of 84 hours per week and was paid an hourly wage of \$12. Evergreen consistently failed to pay N.G.C. overtime pay during this time. Defendant charged N.G.C. \$75 every two weeks for housing, which consisted of a small house containing one bed, which N.G.C. shared with his father, R.G.F. Approximately ten other workers lived in the same house, which was infested with bedbugs and cockroaches.

On October 3, 2021, Defendant approached N.G.C. and another employee while they were at their worksite. Defendant angrily scolded both workers. Defendant then sent the other worker away and

continued to scream at N.G.C. before attempting to strike him in the face with a sharpened pencil. After N.G.C. dodged out of the way, Defendant continued berating N.G.C. and Defendant threatened to report N.G.C. to the police.

After Defendant left, N.G.C. approached his supervisor, J.A., and told J.A. about the assault. When N.G.C. told J.A. that he no longer wanted to work for Evergreen, J.A. responded that if N.G.C. did not provide two weeks' notice, N.G.C. would not receive his last paycheck, which totaled approximately 168 hours of labor. N.G.C. reported that, despite not being paid, N.G.C.'s fear of Defendant's treatment of workers led N.G.C. to quit his position and immediately leave Evergreen.

N.G.C.'s father, R.G.F., started working for Evergreen in August 2016. R.G.F.'s role mostly consisted of working in the birthing center with the calves and cows. Defendant told R.G.F. that he should not let anyone from any state agency know that he was doing that type of work since it should only be performed by trained professionals. R.G.F. reported being underpaid throughout his tenure with Evergreen. After being underpaid in September 2020, R.G.F. spoke to a manager, A.G., about his paycheck. A.G. denied that Evergreen owed R.G.F. any additional money and refused to include any overtime pay as part of R.G.F.'s compensation. R.G.F.'s paystub for the period from September 1, 2020, to September 16, 2020, indicates that R.G.F. worked 180 hours. The paystub, however, reflects that R.G.F. was only paid for 144 hours during that time period and that Evergreen failed to pay R.G.F. for 36 hours of overtime work (approximately \$810).

While working at Evergreen, R.G.F. lived in Evergreen-controlled housing. In March 2020, Defendant made R.G.F. live in a garage after Defendant discovered that R.G.F. was organizing workers to improve overall working conditions. The garage had no kitchen or plumbing. R.G.F. lived in the garage for approximately one year and was required to continue paying Evergreen \$75 every two weeks for housing during that time.

In October 2021, R.G.F. confronted Defendant after learning that Defendant had threatened N.G.C. with a sharpened pencil. When approached by R.G.F. about the incident, Defendant told R.G.F. that R.G.F. should go back to Mexico.

In December 2021, R.G.F. injured his arm while trying to install a security camera during his shift at Evergreen. Evergreen supervisor, A.G., told R.G.F. that R.G.F. would be fired if he stopped working even though he was in pain. R.G.F. was aware that Defendant had fired other employees who had been hurt on the job. When R.G.F. told Defendant about the injury, Defendant threatened to call the cops on R.G.F. if he kept complaining. R.G.F. was not able to take time off or seek any treatment until his sole day off for the month arrived.

On or about January 20, 2022, R.G.F. approached Defendant about again being shorted on his paycheck. Defendant proceeded to tell R.G.F. that Defendant did not have any more money and that R.G.F. should leave. Defendant threatened to call the cops and tried to push R.G.F., who maneuvered out of the way. Defendant did not issue R.G.F. his final paycheck, which amounted to approximately \$3,000 for 204 hours worked over a period of 17 days.

R.R.L. started working for Evergreen in August 2015. R.R.L. reported that, while working at Evergreen, Evergreen shorted each of R.R.L.'s paychecks throughout his employment an average of 12 hours, or approximately \$144, not accounting for overtime pay. R.R.L. was fired by a manager in September 2016. Thereafter, R.R.L. approached Defendant and asked why R.R.L. had been fired and explained that R.R.L.'s wife was pregnant. Defendant responded, "I'm the boss and if I want to fire someone I can." After R.R.L. reiterated that he had nowhere to go, Defendant replied that it was not Defendant's problem. When R.R.L. told Defendant that R.R.L. would get a lawyer, R.R.L. reported Defendant got red in the face and Defendant

pointed his hand in the shape of a gun at R.R.L. Defendant told R.R.L. that Defendant would call the police, hire four lawyers, and send R.R.L.'s "ass back to Mexico." Defendant told R.R.L. that Defendant had a lot of money and that Defendant would kill R.R.L. just like the dog that Defendant had just killed. R.R.L. reported being "really scared" of Defendant and believed Defendant's threats, as R.R.L. was aware that Defendant had recently killed a dog. R.R.L. immediately left Evergreen following this incident.

H.H.C. worked for Evergreen from 2018 to March 2020. H.H.C. reported regularly being underpaid by approximately \$200 per pay period during his tenure at Evergreen. H.H.C. lived in Evergreen-controlled housing and had to sleep in a hallway. H.H.C. was initially charged \$50 per pay period, which was deducted from his paycheck. After two months, Evergreen increased the rate to \$75 per pay period. H.H.C. recalled being subjected to threats and violence by Evergreen management. Around June 2019, management refused to let H.H.C. take a sick day. Supervisor A.G. called H.H.C. and told H.H.C. that he would be fired if he did not show up for work. H.H.C. reported for work and switched duties with another coworker as H.H.C. believed that role would be less strenuous. H.H.C. reported that when supervisors A.G. and J.A. discovered that H.H.C. had switched roles for the day, they approached H.H.C. and stated that H.H.C. would pay for it if any of the animals were hurt. When H.H.C. responded that he had switched roles because he was feeling sick, J.A. stated that H.H.C. could leave if he did not want the job and that if H.H.C. did not leave, immigration could come for him.

Around the beginning of 2020, Defendant observed H.H.C. yell at some cows. H.H.C. reported that Defendant proceeded to tell H.H.C. to leave and that the animals were like Defendant's children. Defendant told H.H.C. that if H.H.C. ever hurt any of his children, Defendant would get his gun and kill H.H.C.

In March 2020, J.A. and A.G. fired H.H.C. for switching roles without authorization approximately 9 months earlier, in June 2019. Evergreen did not pay H.H.C. for H.H.C.'s last three days of work.

Multiple additional former employees of Evergreen reported being underpaid by Defendant for their work at Evergreen, including the following:

- 1) A.G.A. reported being underpaid by at least \$2,000 during the period of February 3, 2022, to June 30, 2022, and by at least \$3,000 during the period of July 1, 2022, to November 30, 2022;
- 2) A.E.S. reported being underpaid by at least \$1,000 during the period of February 3, 2022, to July 1, 2022, and by at least \$1,000 from February 1, 2023, to July 31, 2023;
- 3) R.O.M. reports being underpaid by at least \$4,000 from February 3, 2022, to June 30, 2022; by at least \$4,000 during the period of July 1, 2022, to December 31, 2022; and by at least \$4,000 from January 1, 2023, to June 22, 2023;
- 4) D.O.G. reported being underpaid by at least \$3,000 for each of the following periods: 1) February 3, 2022, to June 30, 2022; 2) July 1, 2022, to December 31, 2022; 3) January 1, 2023, to June 30, 2023; July 1, 2023, to December 31, 2023; and January 1, 2024, to April 30, 2024;
- 5) L.R.C. reported being underpaid by at least \$1,000 during the period of February 3, 2022, to June 30, 2022, and by at least \$1,000 during the period of July 1, 2022, to December 31, 2022;
- 6) M.C.A. reported being underpaid by at least \$2,500 during the period of February 3, 2022, to March 31, 2022;
- 7) T.G.C. reported being underpaid by at least \$1,000 during the period of April 1, 2022, to October 20, 2023;
- 8) J.C.G. reported being underpaid by at least \$1,000 during the period of April 1, 2022, to August 30, 2022;
- 9) E.U.C. reported being underpaid by at least \$2,500 during the period of June 1, 2022, to December 31, 2022;
- 10) S.O.A. reported being underpaid by at least \$1,000 during the period of July 1, 2022, to October 31,

2022, and by at least \$1,000 during the period of November 1, 2022, to February 28, 2023;

11) M.G.O. reported being underpaid by at least \$3,000 during the period of November 1, 2022, to February 28, 2023, and by at least \$3,000 during the period of March 1, 2023, to June 30, 2023;

12) J.W.V. reported being underpaid by at least \$1,000 during the period of December 2022, to March 31, 2023, and by at least \$1,000 during the period of April 1, 2023, to August 31, 2023;

13) E.O.R. reported being underpaid by at least \$3,000 during the period of April 1, 2023, to October 31, 2023; and

14) A.P.M. reported being underpaid by at least \$1,500 during the period of July 1, 2023, to December 31, 2023.

When aggregated, the total value of stolen wages exceeds \$5000 during each of the following six-month time periods: 1) February 3, 2022, to June 30, 2022; 2) July 1, 2022, to December 31, 2022; January 1, 2023, to June 30, 2023; and July 1, 2023, to December 31, 2023.

Multiple additional individuals reported being underpaid by Defendant for their work at Evergreen between the time period of February 4, 2015 and February 2, 2022.

Based upon the foregoing, I submit there exists probable cause to believe that the defendant, Keith Lawrence Schaefer, committed racketeering and wage theft, in violation of Minn. Stat. §§ 609.903 and 609.52, as alleged in Counts I through V.

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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

Nicholas Riba
Special Agent
1430 Maryland Avenue E
St. Paul, MN 55106
Badge: 78

Electronically Signed:
02/03/2025 12:20 PM
Ramsey County, Minnesota

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

Prosecuting Attorney

Mary Russell
445 Minnesota Street
Suite 1400
St. Paul, MN 55101
(651) 296-3353

Electronically Signed:
02/03/2025 10:49 AM

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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: February 3, 2025.

Judicial Officer

Nathaniel Welte
Judge

Electronically Signed: 02/03/2025 01:03 PM

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

**COUNTY OF STEARNS
STATE OF MINNESOTA**

State of Minnesota

Plaintiff

vs.

Keith Lawrence Schaefer

Defendant

LAW ENFORCEMENT OFFICER RETURN OF SERVICE

I hereby Certify and Return that I have served a copy of this Summons upon the Defendant herein named.

Signature of Authorized Service Agent:

73-CR-25-971
DEFENDANT FACT SHEET

Filed in District Court
State of Minnesota
2/3/2025

Name: Keith Lawrence Schaefer
DOB: 07/18/1967
Address: 24555 Co Rd 23
Richmond, MN 56368

Alias Names/DOB:

SID:

Height:

Weight:

Eye Color:

Hair Color:

Gender:

MALE

Race:

Fingerprints Required per Statute:

Yes

Fingerprint match to Criminal History Record:

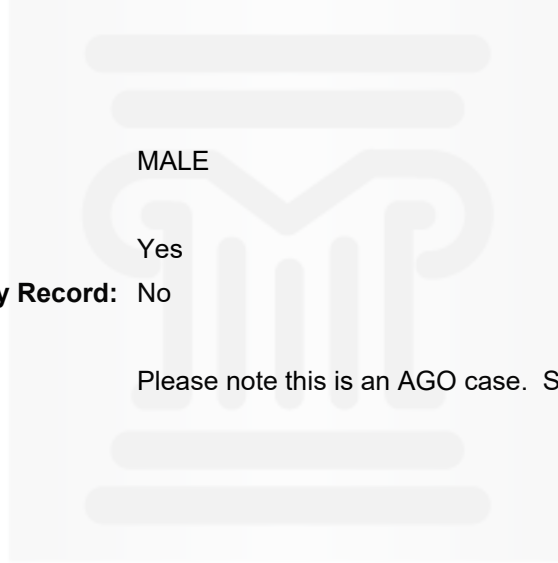
No

Driver's License #:

Case Scheduling Information:

Please note this is an AGO case. State is unavailable 3/18-20 & 3/31-4/4.

Alcohol Concentration:



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STATUTE AND OFFENSE GRID

Cnt Nbr	Statute Type	Offense Date(s)	Statute Nbrs and Descriptions	Offense Level	MOC	GOC	Controlling Agencies	Case Numbers
1	Charge	2/4/2015	609.903.1(1) Racketeering-Enterprise-Employed/Assoc/Participate	Felony	X1300	N	MNBCA0000	20231112
	Penalty	2/4/2015	609.904.1 Racketeering-Penalty	Felony	X1300	N	MNBCA0000	20231112
2	Charge	2/3/2022	609.52.2(a)(19) Theft - Theft of wages	Felony	TS251	N	MNBCA0000	20231112
	Penalty	2/3/2022	609.52.3(2) Theft - Value over \$5,000 or trade secret, explosive, Controlled Substance I or II	Felony	TS251	N	MNBCA0000	20231112
3	Charge	7/1/2022	609.52.2(a)(19) Theft - Theft of wages	Felony	TS251	N	MNBCA0000	20231112
	Penalty	7/1/2022	609.52.3(2) Theft - Value over \$5,000 or trade secret, explosive, Controlled Substance I or II	Felony	TS251	N	MNBCA0000	20231112
4	Charge	1/1/2023	609.52.2(a)(19) Theft - Theft of wages	Felony	TS251	N	MNBCA0000	20231112
	Penalty	1/1/2023	609.52.3(2) Theft - Value over \$5,000 or trade secret, explosive, Controlled Substance I or II	Felony	TS251	N	MNBCA0000	20231112
5	Charge	7/1/2023	609.52.2(a)(19) Theft - Theft of wages	Felony	TS251	N	MNBCA0000	20231112
	Penalty	7/1/2023	609.52.3(2) Theft - Value over \$5,000 or trade secret, explosive, Controlled Substance I or II	Felony	TS251	N	MNBCA0000	20231112

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