## **Embezzling grows from addiction to casinos**

## Ex-union treasurer latest to be convicted

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Updated: February 17, 2010, 11:17 pm / <u>41 comments</u>

Published: February 18, 2010, 7:56 am

Thomas M. Pokrywczynski's downfall was his addiction to gambling at local casinos.

The former union treasurer admitted this week to stealing \$71,000 from Transit Workers Local 1342. He stole an additional \$183,000 from a statewide lobbying group representing the rights of transit workers, making his total theft \$254,000.

Pokrywczynski told a federal judge that he stole because he needed cash to gamble at casinos. He is the latest of several local people convicted of large-scale embezzlements linked to legalized casino gambling.

"I've had at least 10 cases like this, and we're seeing more of them," said Thomas J. Eoannou, attorney for Pokrywczynski. "And a lot of them are people who have never broken the law before in their lives."

Another of Eoannou's clients is Peggy Gaiser, 53, of Grand Island, who awaits sentencing in State Supreme Court for stealing \$175,000 from a greeting card store she managed in the Town of Tonawanda. Gaiser also admitted that she stole money to gamble at casinos.

"[Gaiser and Pokrywczynski] are extremely good people who had a weakness ... casino gambling," Eoannou said. "Neither of them had any criminal history before these incidents."

In recent years, other local cases have involved:

- -- Ronald Brdeja, 45, of Niagara Falls, who last year began serving a state prison sentence of 1<sup>TM</sup> to four years for stealing \$60,000 from his 90-year-old aunt, leaving her penniless. Authorities said he and his wife used the money for casino gambling.
- -- Lon Coldiron, 43, a Buffalo businessman, who was sentenced to four to 12 years in prison last year. He was convicted of burning down his Elmwood Avenue coffee shop to get an insurance settlement to pay gambling debts.
- -- Mindy Hernandez, 36, former manager of a Buffalo law firm, who was sentenced in 2007 to two years in prison for stealing \$289,716 from her employer to pay for casino gambling and debts including online gambling.

-- Kenneth A. Mangione, 63, longtime chief financial officer for a school and residence for troubled children in Hamburg, who embezzled \$192,679 from the school to finance casino gambling and was sentenced to six months in jail in 2007.

Pokrywczynski, 59, of Windsor Ridge Drive, Lancaster, pleaded guilty Tuesday to a felony charge of embezzling from the union and the lobbying organization. Assistant U.S. Attorney Edward J. White said Pokrywczynski faces a May 10 sentencing date.

The Lancaster man could face up to five years in federal prison when sentenced by U.S. District Judge Richard J. Arcara, but under advisory sentencing guidelines, his prison term is likely to be significantly less than that, court officials said.

Casino advocates point out that casino gambling is legal and that thousands of people gamble every day in Western New York and Southern Ontario without stealing from their employers.

But such crimes have been occurring, especially when people who get hooked on gambling have control of large sums of money "without a lot of oversight," observed Joseph S. Wasik of the U.S. Labor Department.

Wasik heads the Buffalo office of labor-management standards and has investigated many cases of financial crimes by labor officials.

An investigator in his office began looking at Pokrywczynski more than two years ago during a routine audit of Transit Workers Local 1342. The union collects about \$1.1 million a year in dues and other fees, Wasik said.

"Our investigator found some deposit slips indicating that he had withdrawn money and put it into an unknown account. She also found that [Pokrywczynski] had used an automated teller machine at Seneca Niagara Casino to withdraw cash from union accounts," Wasik said.

The investigator confronted Pokrywczynski, and he immediately confessed that he had been using union money for gambling, Wasik said.

Pokrywczynski made \$64,400 a year as treasurer of Transit Workers 1342, representing more than 1,500 people and based in Orchard Park, the Labor Department official said. It is one of the area's largest employee unions, and its members include the bus drivers and mechanics of the Niagara Frontier Transportation Authority.

He was also treasurer of the New York State Legislative Conference Board, a statewide group that lobbies with government in behalf of transit workers, Wasik said.

"Unions need to have effective oversight of the use of their money," Wasik said. "You need to have more than one person with oversight. That's the lesson to be learned from these cases."

Pokrywczynski retired under pressure from both jobs immediately after union officials learned of the thefts, Vincent G. Crehan, president of Local 1342, said Wednesday.

His union hired an accounting firm to do an extensive forensic audit of union finances, and "numerous new safeguards" were established to prevent thefts in the future, Crehan said.

"[Pokrywczynski] was trusted by union officials all over the state," Crehan said.

"I never saw any indication that he had a gambling problem. He may have mentioned once or twice that he went to the casino socially, but that was it."

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