

Embezzlements in Nebraska from Gambling

The following are just a few of the most recent examples of the destructive force gambling can wield against a community. In these real life stories, you will see how the slippery slope of temptation and greed fostered by gambling proved too much to resist for some of the Omaha/Council Bluffs/Lincoln community's most respected citizens—thus shattering lives and breaking down the public trust.

1. Sister Barbara Markey turned herself into police after being accused of stealing more than \$300,000 from the Omaha Archdiocese, much of which was used on gambling. (Omaha World Herald, June 29, 2006)
2. Corey Pelnar, a business manager at St. Bernadette's Church in Bellevue, Nebraska, was sentenced to five years' probation after remunerating some \$180,000 she had improperly taken. Pelnar pled no contest and was convicted of felony theft. Among her conditions of probation: a requirement that she attend Gamblers Anonymous meetings once a week for a year and a half. (Omaha World Herald, June 2006)
3. In January 2006, Larry Kallenmeyn, a former executive director of Family Services—a Lincoln-based organization—pleaded no contest to misdemeanor charges. The charges were connected to his use of \$21,000 in Family Services money to cover his gambling debts. (Omaha World Herald, June 2006)
4. Council Bluffs attorney Michael G. Reilly's license was revoked by the Iowa Supreme Court in January 2006; the move came after he admitted to having taken nearly \$100,000 from a client to cover gambling debts. (Omaha World Herald, June 2006)
5. In December, 2005, Honoree J. McGinnis-Hurt was sentenced to probation and ordered to pay \$10,000 in restitution for her role in a theft case. Investigators said she and workers at an Omaha keno operation took money after figuring out a glitch in the game; her attorney said the theft was prompted by a gambling problem. (Omaha World Herald, June 2006)
6. Fred Cappellano, head of the motor vehicle division of the Douglas County Treasurer's Office, flushed the approximately \$120,000 he stole from public coffers down penny and nickel slot machines. Hour by hour, dollar by dollar, Cappellano said, he plunged money that should have been in the tills of the Douglas County Treasurer's Office or a rental car company into the slots of the Council Bluffs casinos. Cappellano will be sentenced in December. He faces up to 10 years in prison and a \$250,000 fine on each count. Cappellano originally was charged with one count of embezzlement, but prosecutors decided to charge him with four - one count for each of the four years in which money was taken. (Omaha World Herald, September 22, 2005)
7. Brenda Council, a key player in Omaha city politics who twice ran for mayor in the 1990s, pleaded guilty this week to trespassing at a Council Bluffs casino after she had signed a pledge promising to stay away from all Iowa casinos. The forms generally are used by those who want to stop themselves from gambling. Council was cited for being at Bluffs Run Casino at 2:45 a.m. on Wednesday, August 31. She paid a \$100 fine for misdemeanor criminal trespass. (Omaha World Herald, September 9, 2005)