

STATE OF WISCONSIN

CIRCUIT COURT
CRIMINAL DIVISION

MILWAUKEE COUNTY

CRIMINAL COMPLAINT

STATE OF WISCONSIN

vs.

Plaintiff,

Dokos, James Jr.
161 E. Chicago Ave., #29C
Chicago, IL 60611
DOB: 03/29/1952

DA Case No.:2014ML013395

Complaining Witness:

Robert Stelter

Court Case No.:

Defendant,

THE ABOVE NAMED COMPLAINING WITNESS BEING DULY SWORN, ON INFORMATION AND BELIEF STATES THAT:

Count 1: THEFT (EMBEZZLEMENT) (VALUE EXCEEDING \$10,000)

The above-named defendant between July 2008 and October 2012, at 9400 West Congress Street, in the City of Wauwatosa, Milwaukee County, Wisconsin, as trustee , having possession of money of Annunciation Greek Orthodox Church, having a value exceeding \$10,000, did transfer such money without the owner's consent, contrary to the defendant's authority, and with intent to convert said property to his own use or to the use of any other person except the owner, contrary to sec. 943.20(1)(b) and (3)(c), 939.50(3)(g) Wis. Stats.

Upon conviction for this offense, a Class G Felony, the defendant may be fined not more than Twenty Five Thousand Dollars (\$25,000), or imprisoned not more than ten (10) years, or both.

Your complaining witness states that he is an Investigator employed by the Milwaukee County District Attorney's Office and that he makes this complaint based upon his own investigation and upon statements made to him by adult citizens whom he believes to be reliable.

Your complaining witness states that he spoke to an adult citizen, Kosta Zervas who identified himself as the 2013 President of the Parrish Council at the Annunciation Greek Orthodox Church located at 9400 W. Congress Street in the City of Wauwatosa, County of Milwaukee. Mr. Zervas informed him that the financial and business functions of the church are controlled by the Parrish Council. In 2013 the Parrish Council discovered that the defendant, who had been the priest at the church for many years until he transferred to another church in 2012, had taken monies that were left to the church by a Trust and converted them to his own use without the knowledge or consent of the Church.

Your complaining witness discovered that in 1984 a Trust was created by Ervin and Margaret Franczak and that during their lifetimes the Franczaks funded the trust and acted as trustees. The Trust was amended multiple times after 1984. In 2004 Margaret Franczak who was the surviving Trustee amended the Trust and named the defendant who was the Priest at the Annunciation Greek Orthodox Church as successor Trustee in the event she was unable or unwilling to serve as Trustee.

The Trust was amended for an eighth and final time in May, 2007. The terms of the Trust dictated that the assets of the Trust would be distributed as follows:

- A. \$5,000 to the Trustee for all work done by the Trustee
- B. Any automobile and real property as well as the contents of the real property went to the defendant as long as he survived the Grantor.
- C. \$5,000 was to be paid to the American Cancer Society, Florida Division.
- D. \$10,000 was to be paid to a church located in Clearwater, Florida.
- E. \$5,000 to the American Heart Association
- F. The rest, remainder and residue of the Trust Assets were to go to the Annunciation Greek Orthodox Church to be used exclusively for the construction and maintenance of a Cultural Center.**

After the death of Mrs. Franczak the defendant became the Trustee for the Trust. Consistent with the terms of the Trust a condominium, its contents and a vehicle owned by Mrs. Franczak were liquidated and the proceeds which exceeded \$40,000 were paid to the defendant. In March, 2008 the defendant opened an account in the name of the Trust at the M&I Marshal & Ilsley Bank. This account was funded with assets of the Trust. On or about May 27, 2008 the defendant, consistent with the terms of the Trust wrote himself a check for \$5,000. He also made the disbursements to the American Cancer Society, the American Heart Association and the Florida church called for in the Trust.

On or about July 24, 2008 the defendant wrote a check made payable to Attorney Steven Fishman, the attorney who had drafted a number of the amendments in the amount of \$27,828.15. At the same time, apparently on the advice of Attorney Fishman, contrary to the terms of the Trust the defendant wrote himself a check for \$25,000.

On or about September 16, 2008 the defendant wrote a check to the Annunciation Greek Orthodox Church in the amount of \$1,100,000. At the same time the defendant presented a document entitled "Waiver of Accounting and Receipt of Beneficiary and Consent to Release Father James Dokos, Jr as Trustee" to Chris Costakis who was the Parish Council President in 2008.

Your complaining witness states that Mr. Costakis stated that he signed this document when it was presented to him by the defendant. The defendant led him to believe that the church had received all of the funds that they were entitled to and that he should sign the document. Mr. Costakis said he was unaware that the Trust had assets beyond the \$1,100,000 that was turned over to the church by the defendant. When Mr. Costakis learned that there was over \$100,000 in assets held by the trust after the defendant wrote the check to the church Costakis stated that the defendant had never informed him of this fact and the defendant never asked if these monies could be kept by him and used at his discretion. Costakis said that he had never seen the actual Trust documents and that he relied on the defendant because the defendant was his Parish priest.

Your complaining witness states that he spoke to Mr. Zervas who told him that the theft of Trust monies by the defendant was not discovered until 2013. He stated that in February, 2013 the defendant contacted the church about an insurance refund that had been paid to the church. Mr. Zervas asked Kelly Fuchs, who was the church secretary to look into the matter. He then discovered that the insurance bill in question had been paid for with a check written by the defendant from the account held in the name of the Trust. Mr. Zervas, who was the Treasurer of

the Parish Council in 2008, stated that he had been unaware that monies had remained in the Trust after the disbursement was made to the Church in 2008. He believed that the Trust had been completely closed in 2008.

After this was discovered Zervas worked with a lawyer who is a member of the congregation to draft a letter to the defendant requesting a copy of the Trust, which the Church did not have, as well as cancelled checks and tax returns. In response the defendant sent Zervas an email in which he stated in all caps "I STOLE NO MONEY.." The defendant stated that the insurance item was as a result of a voided check for a medical bill and that this was his money alone. This statement is untrue because the check in question was written from the Trust account and those account records show that the defendant never deposited personal funds into the account.

The defendant also claimed that he was awarded an additional legal percentage as Trustee and that he kept this in his Trust Checking Account for his use and parish philanthropy.

Your complaining witness states that this is not accurate as the \$25,000 check that the defendant wrote to himself beyond the distribution awarded by the Trust was never deposited into the Trust account. The defendant's income tax records show that he never declared the \$25,000 as income.

In his email the defendant also asserted that he was not hiding anything because the Trust bank account was opened using the church address so that statements would go to his church office. The bank records from M&I do show that when the account was opened in May, 2008, the defendant used the church address on the account. However, those records show that as of December 2008 the account address was changed to the defendant's home address in Brookfield. The statements were sent to that address until February, 2012 when the address was changed to an address in Chicago. This was the address on the account until it closed in October, 2012.

The defendant further claimed in his email that the funds were used by him for gifts to the parish, the Metropolis and the Retreat Center. The defendant stated that all of this was done with the knowledge of John Galanis who he described as a Board member of the Retreat Center.

Your complaining witness spoke with Mr. Galanis who informed him that he was on the Parish Council when the Franczak's gift was received in 2008. Galanis said that there was never any discussion of the defendant retaining additional funds from the Trust to use to make gifts to the Parish or anywhere else. Galanis stated that the Church was in dire financial straits in 2008 and that they never would have agreed to let the defendant retain any of the Trust monies that were due to the church.

Your complaining witness states that his review of the Trust account assets showed that after the defendant wrote the check to the church, he retained more than \$45,000 in the Trust account. In addition the Trust continued to earn income from at least two annuities held by the Trust. The Trust continued to receive annuity income until April, 2012. Despite the fact that the terms of the Trust provided that the rest, residue and remainder of the Trust should go to the Church, the defendant retained control over these funds.

During the period from August 2008 through October 2012 the defendant spent more than \$110,000 of Trust monies by writing checks outside the terms of the Trust. A great deal of this

money was spent on clearly personal expenditures. The defendant wrote 3 checks totaling \$550 to his daughter. The memo entry on each of these checks indicates they were gifts. He wrote six checks totaling \$1,150 to his mother. The defendant paid his own Time Warner cable bill with Trust funds. He also used Trust funds to pay a number of his personal medical expenses. He wrote five checks additional checks to himself totaling \$3,050.

The defendant also wrote Trust checks totaling over \$57,000 to pay his personal Bank of America credit card bill. Your complaining witness examined these bills and met with representatives of the church to determine whether these purchases were made for personal purposes, or whether the funds were spent for church purposes. Your complaining witness found that the defendant used trust monies to pay for numerous personal items, including \$5,000 of Trust monies to pay for jewelry for his wife. This large jewelry purchase coincided with the change on the Trust checking account from the church address to the defendant's home address. The defendant also used Trust monies to pay for trips for his wife and daughter, shopping at upper end stores like Nordstrom's, Neiman Marcus, Dior and David Yurman. Trust monies were also used to decorate the defendant's home for Christmas. Based on his review of those records and meetings with Church officials your complaining witness determined that at least \$17,000 in Trust monies was spent on these personal items.

The defendant's credit card records showed that in addition to the over \$17,000 in purely personal purchases he spent over \$20,000 at upper end restaurants. He often dined at Flemings in Brookfield. When your complaining witness discussed these purchases with members of the Parish Council as well as the current priest at the church to determine whether these might have been dinners with potential donors and therefore related to church business he learned that few, if any of these dinners would have been for that purpose. In the Greek Orthodox tradition it would be highly unusual for the priest to pay for dinner, even if the purpose of the dinner was to solicit funds. Also, the Greek community in Milwaukee is geographically dispersed so that any such dinners for fundraising purposes would not be concentrated in Brookfield, the community where the defendant lived.

Your complaining witness was told by Mr. Zervas who was the Parish Council President in 2013 and the Treasurer in 2008, Mr. Costakis who was the President in 2008, and George Papachristou who was the Vice President in 2008 that the council was not aware that the defendant kept monies from the Trust and did not give him permission to do anything with Trust Assets other than pay them over to the church.

In 2008 there were 15 members of the Parish Council, 14 of whom are still alive today. 11 of these 14 told your complaining witness that they had no knowledge that there were funds from the Franczak Trust that the defendant kept. Most of these individuals stated that the church's financial situation was so bleak that they would never have allowed the defendant to divert any of these funds for his own use. One individual had no recollection at all on the topic. There were two individuals who were on the council who told your complaining witness that they believed the council was told by the defendant that there were additional funds and that he was given permission to use these funds at his discretion for church purposes. However, while the receipt of the Franczak funds is reflected in the minutes of the September 16, 2008 meeting, there is no mention in the minutes of the additional funds. This is true, even though one of the two individuals who were Council members who recalled the discussion, was the person who kept the minutes at that meeting.

You complaining witness was presented with an affidavit from a third individual who claimed to be on the Council at the time the Trust funds were disbursed and recalled that the Council had authorized the defendant to keep the remaining funds to use for church purposes. However, Council records show that this individual was not a member of the Council at the time the Trust funds were received.

It should be noted that the defendant did have a separate pastoral account checking account as well as a pastoral credit card which he was authorized to use for church purposes. This account was funded from regular church revenues.

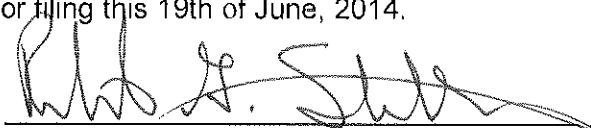
No one on the Parrish Council, including the two Council members who stated they were aware of the existence of funds beyond the September, 2008 gift, indicated that the council had given the defendant permission to spend the Trust funds on personal purposes.

****End of Complaint****

Subscribed and sworn to before me and approved for filing this 19th of June, 2014.



David A. Feiss
Assistant District Attorney
1008600



Complaining Witness