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CHARGES ANNOUNCED IN ST. DUNSTAN PARISH EMBEZZLEMENT

Debra Ann Kilyanek

Prosecutor Kym L. Worthy charged Debra Ann Kilyanek, 54 of Garden City with Embezzlement over \$100,000, a felony that carries a maximum penalty of 15 years in prison and/or \$25,000, or 3 times the amount embezzled, whichever is greater and, Using a Computer to Commit a Crime, a felony that carries a maximum penalty of 20 years in prison and/or \$20,000.

In the spring of 2007, the Archdiocese of Detroit conducted an audit of the books at St. Dunstan and uncovered a loss of \$111,693.28. The Archdiocese of Detroit turned the matter over to the Garden City Police Department and the Wayne County Prosecutor's Office for investigation. It was discovered that beginning in October 2005 Ms. Kilyanek began charging her personal transactions to the St. Dunstan Parish checking account. Most of these transactions were either phoned in or paid via the internet using the parish checking account information. Ms. Kilyanek allegedly used parish funds to pay her personal credit obligations.

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Parishioners, boards of churches, clubs and non-profit organizations should follow these three basic rules: 1) All checks should require two signatures of unrelated people, the treasurer and an officer; 2) An independent audit should be conducted annually; and 3) The person responsible for financial transactions should be rotated annually.

Ms. Kilyanek was arraigned this morning at the 21st District Court in Garden City, Michigan in front of Judge Richard Hammer. She was given a \$100,000 personal bond. Her preliminary examination will be held at the 21st District Court on January 28, 2008.

Father Donald Demmer

As Ms. Kilyanek's direct supervisor, and because of the large dollar amount involved an investigation was conducted regarding the finances of Father Donald Demmer. The Archdiocese did not discourage or influence the police or the Wayne County Prosecutors Office from conducting this part of the investigation or from reporting the results.

While there is insufficient evidence to charge Father Demmer with any crime the Archdiocese has urged us to be candid with the details of the investigation. An extensive investigation revealed the following questionable, but not illegal conduct by Father Demmer:

- There is insufficient evidence that Father Demmer misappropriated church funds.
- Father Demmer was responsible for overseeing the budget of the church and failed to fulfill that trust. As a result, former administrative assistant Debra Kilyanek stole over \$100,000 dollars from the parish. Additionally, the parish now owes in excess of \$1,000,000 in taxes, interest and penalties to the federal government for unpaid taxes (payroll taxes, FICA and Medicare).
- In speaking with the police he revealed that he has a large amount of personal debt that he attributes to his gambling problem.
- Records show that he made as many as 200 trips to casinos in Michigan, Nevada and Florida since 2000. Furthermore, he has been gambling since he was relieved of his pastoral duties on June 12, 2007.

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- In addition, the investigation reveals that:
 - He has made numerous trips out of the state and the country to casinos and Caribbean resorts including Club Orient.
 - Although not illegal, numerous subscription charges were made to companies providing pornographic internet services that appear on Father Demmer's bank records.
 - He funded his lifestyle in large part by multiple donations from parishioners made to him personally. It is unlikely that the parishioners were aware of how their gifts were used. According to the Archdiocese of Detroit, donations made out personally to any church official are not considered donations to the church, but rather are considered personal gifts and may be used for any purpose.

"In every aspect of the investigation of Ms. Kilyanek and Father Demmer the Archdiocese of Detroit has been cooperative and forthcoming," said Prosecutor Worthy. "The conduct of Father Demmer while disturbing is not criminal. The Archdiocese of Detroit will need to take this information and decide the fate of Father Demmer."

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