

The Sun

**Woman avoids jail in scheme
She helped her boss juggle escrow account**

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The former office manager for convicted embezzler Joseph E. Goldberg Sr. saw her cooperation with state prosecutors pay off yesterday when she received no jail time at her sentencing hearing in Howard County Circuit Court.

Patricia Horak, 38, was given a suspended 15-year prison sentence as part of an agreement with the state attorney general's office.

Circuit Judge Diane O. Leasure imposed an additional five years of supervised probation, 1,000 hours of community service and a \$1,000 fine.

Although Horak will not go to jail for her part in the embezzlement of nearly \$1 million in real estate funds by her former boss, Leasure noted that the crime had been "devastating to a number of people."

"There is a debt to society that needs to be paid," Leasure said as Paula Wagner, whose life savings vanished when she did business with Goldberg's now-defunct Land Title Research of Maryland Inc., looked on.

Last month, Leasure sentenced Goldberg, a title and settlement agent, to 18 months in the Howard County Detention Center and ordered him to pay back every penny he admitted stealing from dozens of customers in Maryland.

The case prompted state legislators in 1995 to pass laws that require background checks, bonding and licensing for directors of title insurance companies.

Horak, Goldberg's girlfriend, was the prosecutors' key witness in breaking the case. Her cooperation secured his guilty plea, prosecutors said.

But outside court yesterday, Wagner, a Baltimore County schoolteacher, said Horak had as much to do with her financial loss as Goldberg did.

Horak knew Goldberg was misusing funds from the escrow account, Wagner said, and did not warn her when Wagner entrusted the money to him to buy her dream house.

Many of the victims of the scam were reimbursed by Goldberg's underwriter because they bought title insurance. Wagner did not buy insurance.

"I put in every day of my life to earn that \$80,000," Wagner said of her savings.

Horak of Elkridge pleaded guilty to conspiracy to commit theft in January. She admitted helping Goldberg cover up huge holes in the company's escrow account by not paying funds owed in one settlement until additional money came in from another settlement.

Horak had worked for Goldberg since 1982. She told prosecutors she knew Goldberg was misusing money, but she did not start juggling checks for him until 1994.

Prosecutors say Goldberg took nearly \$1 million from the account in nine years.

Also present at yesterday's hearing were Goldberg's estranged wife, Diane, and daughter, Pamela, as well as their family

members and friends.

Pamela Goldberg, 17, wrote to **Leasure** urging her to send Horak to jail.

"I personally along with my two brothers have had to pay the price of my father and Patty's damages," she wrote. "I am a 17-year-old kid who lost my house, my memories and fun along with respect from a lot of people."

She added: "I never knew that the things I had were other people's money and finding that out only makes me sick."

Diane Goldberg said she attended the hearing yesterday because she was angered by what her husband told **Leasure** during his sentencing.

Goldberg told the judge he had stolen the money to pay for his family's and friends' expenses, saying he loved with his checkbook, not his heart. He wept when he talked about how he had lost contact with his three children as a result of this case.

"How in the world could I keep my children, as big as they are, from seeing their father?" Diane Goldberg asked. "He has made no attempt to see them."

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