Alleged top Jersey capos Ralph V. Perna and Nicodemo Scarfo Jr. charged

Two ruling members of the New York-based Lucchese crime family and 32 other members and associates, including alleged current and former top New Jersey capos Ralph V. Perna and Nicodemo Scarfo Jr. have been indicted on charges of first-degree racketeering, conspiracy and money laundering, state Attorney General Paula T. Dow announced Friday.

The state grand jury indictment stems from Operation Heat, an investigation by the state Division of Criminal Justice that uncovered what authorities describe as an international criminal gambling enterprise that transacted billions of dollars in wagers, primarily on sporting events, and relied on extortion and violence to collect debts.

The indictment also charges a former New Jersey corrections officer and a high-ranking member of the Nine Trey Gangsters set of the Bloods in an alleged alliance with the Lucchese crime family to smuggle drugs and pre-paid cell phones into East Jersey State Prison in Woodbridge.

State Criminal Justice Director Stephen J. Taylor said the indictment charges two members of the three-man ruling panel of the Lucchese crime family, Joseph DiNapoli, 74, of Scarsdale, N.Y., and Matthew Madonna, 74, of Seldon, N.Y. The indictment also charges Ralph V. Perna, 64, of East Hanover, and Nicodemo Scarfo Jr., 44, of Ventnor.

Perna allegedly became top capo of the New Jersey faction of the family when Scarfo was deposed in 2007.

"The Lucchese crime family allegedly employed sophisticated measures such as electronic record-keeping and offshore wire rooms designed to thwart detection of their illegal gambling activities by law enforcement," Dow said. "I'm proud to say that their innovations did not stop our investigators from infiltrating their criminal enterprise and obtaining the evidence needed to indict their alleged top leaders in both New York and New Jersey."

"The Division of Criminal Justice will continue to fulfill its decades-old mission of fighting organized crime, whether it takes the form of traditional organized crime or street gangs," Taylor added. "We will remain vigilant and aggressive on both fronts. In this case, those fronts allegedly overlapped in a troubling alliance between members of the Lucchese crime family and the Bloods gang to smuggle contraband into a state prison."

A warrant has been issued for Scarfo's arrest. Most of the alleged mobsters were initially charged and arrested in Operation Heat in December 2007. However, Scarfo and two other men were charged Friday for the first time in the ongoing investigation.

The other two men are Frank Cetta, 71, of Las Vegas, who allegedly ran the gambling operation's Costa Rican wire room, and Gary P. Medure, 56, of New York, a close associate of DiNapoli who allegedly managed gambling "packages," groups of bettors who regularly gambled through the operation.

Three other men named in the indictment were arrested after the initial arrests but prior to Friday's indictment. They are Michael A. Maffucci, 24, of Cedar Grove, Charles J. Bologna, 57, and Robert V. DeCrescenzo, 35, both of Port Chester, N.Y. Each of them allegedly managed or assisted in the management of gambling packages.

Each of the first-degree charges of racketeering, conspiracy and money laundering carries a maximum sentence of 20 years in state prison. In addition to those charges DiNapoli, Madonna and Perna are charged with being leaders of organized crime, a second-degree offense.

Most of the alleged mobsters - including DiNapoli, Madonna, Perna, Scarfo, Cetta, Medure, Maffucci, Bologna and DeCrescenzo - are also charged with promoting gambling and possession of gambling records, both third-degree offenses.

It is alleged that DiNapoli and Madonna controlled the crime family's gambling operations and other criminal activities from New York. Both Perna and Scarfo are alleged to have overseen the Lucchese crime family's operations in New Jersey.

Also indicted were Perna's three sons, Joseph M. Perna, 40, of Wyckoff, John G. Perna, 32, of West Caldwell, and Ralph M. Perna, 38, of West Caldwell. The sons, led by Joseph, allegedly managed day-to-day gambling operations under their father's oversight.

Two other men who were indicted, Michael A. Cetta, 43, of Wyckoff, and Martin Tacetta, 59, of East Hanover, the former New Jersey underboss for the family, allegedly exercised their own management control over family gambling operations. Tacetta is currently serving a life sentence in state prison as a result of a Division of Criminal Justice prosecution in the 1990s. Michael Cetta, who is Frank Cetta's son, has close ties to the Lucchese family through marriage.

Joseph Perna, John Perna, Michael Cetta and three other defendants are charged with extortion and aggravated assault, both second-degree offenses, in connection with alleged threats and attempts to use violence against individuals who owed money or tried to take business away from the gambling operation.

The Division of Criminal Justice has seized or restrained millions of dollars in assets of the accused men alleged to be subject to forfeiture as criminal proceeds, including seven homes, 16 bank accounts, 15 vehicles, over $200,000 in cash, and numerous watches and jewelry.

The indictment alleges that Joseph M. Perna and his wife, Roseanna Perna, 36, obtained approximately $900,000 in mortgage funds through fraudulent loan applications. The indictment also charges various tax offenses against the couple, as well as Ralph M. Perna, Michael Cetta and Vita Cetta, 41, of Wyckoff.

The investigation uncovered an international criminal gambling enterprise that, according to records reviewed by the Division of Criminal Justice, transacted an estimated $2.2 billion in wagers, primarily on sporting events, during a 15-month period.

The gambling operation involved agents or "package holders," each of whom brought in bets from a group of gamblers. The enterprise and all of its packages involved hundreds or even thousands of gamblers. Records showed that one high-rolling gambler wagered more than $2 million in a two-month period. Those indicted include package holders as well as individuals who allegedly acted as collectors for the operation, collecting and paying out wins and losses.

The illicit proceeds allegedly were divided by the package holders and the members they worked under, such as the Pernas, Michael Cetta, Tacetta and Medure, who in turn made "tribute" payments to the New York bosses, including DiNapoli and Madonna.

It is charged that collection operations at times took the form of threats or acts of violence. The gambling operation received and processed the wagers using password-protected Web sites and a Costa Rican "wire room" where bets were recorded and results tallied.

The prison smuggling scheme allegedly involved inmate Edwin B. Spears, 36, of Neptune, and a former corrections officer at East Jersey State Prison in Woodbridge, Michael T. Bruinton, 46, of Ringoes. Spears was at East Jersey State Prison at the time of the alleged conduct. Also indicted were Spears' brother, Dwayne E. Spears, 30, of Neptune, and Kristen A. Gilliam, 27, of Farmingdale. Another defendant, Francine Hightower, 52, of Tinton Falls, pleaded guilty on Feb. 21, 2008, to conspiring to launder money.

It is charged that Edwin Spears, an admitted "five-star general" in the Nine Trey Gangsters set of the Bloods, formed an alliance with Joseph Perna and Michael Cetta to smuggle drugs and cell phones into East Jersey State Prison through Bruinton.

The alliance allegedly extended beyond smuggling. In one instance, Joseph Perna allegedly sought assistance from Spears to stop an individual associated with the Bloods from extorting money from a man with ties to the Lucchese family.

It is charged that Perna and Cetta would provide money to Dwayne Spears to acquire contraband including heroin, cocaine, marijuana and pre-paid cell phones. Dwayne Spears allegedly would give the contraband to Bruinton to smuggle into East Jersey State Prison.

The drugs and cell phones were allegedly distributed to inmates who had previously placed orders through Edwin Spears. Cell phones are prohibited in prison. It is charged that the purchasers paid by sending money orders or checks to individuals including Hightower and Gilliam, who delivered the proceeds to Cetta to "re-invest" in the smuggling scheme. Samuel A. Juliano, 65, of Glen Ridge, is charged with supplying drugs for the smuggling scheme.

In addition to the first-degree charges of racketeering, conspiracy and money laundering, Bruinton, Edwin Spears, Dwayne Spears, Gilliam, Joseph Perna, Michael Cetta and Juliano are charged for the alleged smuggling operation with second-degree conspiracy, second-degree official misconduct , second-degree bribery, and third-degree unlawful possession of a cell phone in prison.

As Operation Heat proceeded it yielded evidence that was pursued by the Manhattan District Attorney's Office in an investigation that culminated on Oct. 1, with the indictment of 29 defendants, including DiNapoli, Madonna and other Lucchese crime family members, alleged to have run a criminal enterprise that bribed city building inspectors, among other crimes.

The indictment also charges 13 other people with one or more crimes. They are: John V. Mangrella, 67, of Clifton; Alfonso "Tic" Cataldo, 68, of Florham Park; Antonio "Curly" Russo, 73, of Bloomingdale; Elliot Porco, 47, of The Bronx; Gianni Iacovo, 34, of Elmwood Park; James Furfaro Jr., 30, of Parsippany; John N. Turi, 31, of Clifton; Michael T. Ramuno III, 36, of Philadelphia; Robert A. Romano, 31, of Brick; Ron Scrips, 46, of Staten Island; Shpetim "Tim" Hani, 33, of North Haledon; Blerim Ibraimi, 29, of Hawthorne; and George Maiorano, 65, of Belleville.

The 13 are facing such charges as racketeering, conspiracy, promoting gambling, possession of gambling records, extortion, aggravated assault, possession of a weapon, failure to file or pay income tax or possession of cocaine or oxycodone.

The indictment was handed up to state Superior Court Judge Linda R. Feinberg in Trenton who

assigned the case to Morristown.

Supervising Deputy Attorney General Mark Eliades, chief of the Gangs & Organized Crime Bureau, and Deputy Attorney General Christopher Romanyshyn presented the case to the grand jury. Lt. Christopher Donohue and Det. Patrick Sole of the Gangs & Organized Crime Bureau were lead investigators in the case. Det. Noelle Holl was the principal investigator in the financial portion of the case.

Dow also credited Det. Patrick Sole, who was lead investigators in the case, former Acting Supervising State Investigator James Sweeney, Detectives Audrey Young, Ho Chul Shin, Brian Bruton, Mario Estrada, Richard DaSilva, and John Delesio of the Division of Criminal Justice, and Auditor Thaedra Chebra of the Division of Taxation's Office of Criminal Investigation.

Dow also cited Chief of Detectives Paul Morris for directing the investigation, and Supervising Deputy Attorney General Mark Eliades and Deputy Attorneys General Christopher Romanyshyn and Lauren Scarpa-Yfantis.

First-degree crimes carry a maximum sentence of 20 years in state prison and a $200,000 fine. First-degree money laundering carries an enhanced fine of up to $500,000. Second-degree crimes carry a maximum sentence of 10 years in state prison and a $150,000 fine. Third-degree crimes carry a maximum sentence of five years in state prison and a fine of up to $35,000 for promoting gambling or $15,000 for other third-degree crimes. Fourth-degree crimes carry a maximum sentence of 18 months in prison and a $10,000 fine.

— TOM HESTER SR., NEWJERSEYNEWSROOM.COM

Alleged Leaders, Members and Associates
Matthew Madonna
Joseph "Big Joe" DiNapoli
Ralph V. Perna
Nicodemo "Little Nicky" Scarfo
Frank Cetta
Antonio "Curly" Russo
Joseph "Little Joe" Perna
John G. Perna
John "Blackie" Mangrella
Martin "Marty" Taccetta
Gary Mehler
Michael A. Cetta
Samuel "Sam" Juliano
Ronald "Ron" Scripps
Alphonse "Tic" Cataldo
Michael Maffucci
Gianni "John" Iacovo
Robert Romano
James "Beans" Furfaro Jr.
John Tuti
George Maiorano
Charles J. Bologna
Elliot Porco
Shpetim "Tim" Hasi
Blerim Dvilani
Michael Ramuno III
Roseanna Perna
Vito Cetta
Edwin "Money" Spears
Dwayne Spears
Francine Hightower
Kristine Gillam
Michael "Mac" Braunton