

Media Contact:

Jane Robison, Sr. Public Information Officer 213-974-3525 jrobison@da.lacounty.gov

Twitter: @LADAOffice

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Water Official, Married Couple Charged with Embezzlement

A West Basin Municipal Water District director along with a married couple with ties to the director have been charged with an elaborate embezzlement scheme to help the director pay about \$20,000 in personal expenses, the Los Angeles County District Attorney's Office announced today.

Ronald Craig Smith (dob 5/08/59), who serves as treasurer of the water district, Robert Earl Katherman Jr. (dob 6/22/46) and his wife, Marilyn Katherman (dob 11/11/48), are charged in case YA090605.

Deputy District Attorney Alison Matsumoto Estrada with the Public Integrity Division is assigned to the case.

The Kathermans were in Los Angeles County Superior Court in Torrance this morning for arraignment, but it was rescheduled for Aug. 27. Smith pleaded not guilty last week and returns to Department 4 in Torrance on Aug. 12 to set a date for his preliminary hearing.

Smith is charged with seven felony counts, including two counts of misappropriation of public funds, four counts of perjury and one count of conflict of interest. The Kathermans are charged with two counts each of misappropriation of public funds.

Prosecutors said that the embezzlement scheme occurred after Smith got the West Basin Municipal Water District board to make multiple contributions to help sponsor the Adopt A Storm Drain Foundation, a nonprofit educational foundation to promote water conservation run by the Kathermans.

The contributions occurred over a three-year period, beginning in August 2010. During the same period, Smith also contributed money from his district outreach fund that did not need board approval, prosecutors said.

Shortly after receiving the West Basin donations, prosecutors allege the Kathermans began writing checks from foundation accounts to schools and organizations that had no connection to the foundation.

The checks allegedly covered school and college tuition and paid for tennis and dance lessons for Smith's children. Adopt A Storm Drain checks also allegedly paid for repairs to Smith's boat and his rent.

Smith also allegedly wrote checks from his West Basin discretionary account to pay various school expenses for his children.

In all, about \$20,000 was stolen, prosecutors say.

If convicted, Smith faces up to nine years in state prison. The Kathermans each face up to four years in state prison if convicted as charged.

The case remains under investigation by the Torrance Police Department

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About the Los Angeles County District Attorney's Office

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to seeking justice for victims of crime and enhancing public safety. Last year, the <u>Los Angeles County District Attorney's Office</u> prosecuted more than 73,000 felony defendants and 113,000 misdemeanor defendants.