

May 5, 2010  
For Immediate Release

Contact: [Paul Levikow](#)  
(619) 531-3536

# DA Dismisses Conflict of Interest Charges Against Pension Board Members

## *Dismissal Follows Unfavorable California Supreme Court Ruling*

San Diego County District Attorney [Bonnie M. Dumanis](#) announced today that as a result of a California Supreme Court ruling, conflict of interest charges against six former members of San Diego's pension board have been dismissed. In 2005, the members were charged with violating the state conflict of interest law after the trustees improperly allowed the city to under fund the pension system in return for boosted retirement benefits. In January of this year, the California Supreme Court reversed a unanimous appellate court's ruling on five defendants, stopping the case against them from proceeding forward and substantially undermining the case against a sixth defendant.

"When we filed this case five years ago, we believed it was important to stand up for the common sense position that its wrong for a pension board trustee to agree to an illegal under funding of the pension system in return for the promise of increased retirement benefits for all active employees, including themselves," said DA Dumanis.

"We continue to believe such behavior constitutes a conflict of interest that undermines the faith the public places in its officials. However, after years of litigation in the appellate courts, and eight years after the alleged conduct, it is time for this case to conclude. Although the Supreme Court disagreed with our position, we respect their decision and hope that the public awareness raised by this case lessens the likelihood that these types of events will occur again."

Former San Diego pension board members Cathy Lexin, Ron Saathoff, John Torres, Mary Vattimo, Terri Webster and Sharon Wilkinson were charged in May of 2005 with three felony counts each of violating a conflict of interest statute that is part of the government code. After a preliminary hearing, a San Diego County Superior Court ruled that there was sufficient evidence to permit the case to proceed to trial. That decision was upheld twice by the Fourth District Court of Appeal before the Supreme Court intervened. The California Supreme Court released its opinion on January 25, 2009 and modified it on April 22, 2010.

###