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FRESNO COUNTY
SUPERIOR COURT

XREF: _____

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF FRESNO

PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

JULIE CASCIA, (DOB: 01/23/1964),
ATOMIC FALASCHI, (DOB: 06/19/1977),
DENNIS FALASCHI, (DOB: 05/10/1946),
JACK HURLEY, (DOB: 09/30/1980),
DUBBY WEST, (DOB: 04/21/1977),

Defendants.

Case No. F18901227

COMPLAINT (FELONY)

Arraignment

DATE:
TIME:
DEPT.:

The Attorney General of the State of California accuses the above-named Defendants of the following offenses, which are connected to each other in their commission:

INTRODUCTION

At all times relative to this Complaint:

The Panoche Water District ("PWD") is a California Water District created under Water Code Section 34000 *et seq.* by election of its landowners and validation by the Fresno County Superior Court. PWD is a public agency formed and existing for governmental purposes.

1 PWD's primary purpose is to distribute water for irrigation, municipal and industrial uses,
2 and to own, operate and maintain a water delivery system to PWD water users.

3 PWD also provides administrative, operation and maintenance services to several
4 neighboring small agencies, including Panoche Drainage District, Mercy Springs Water District,
5 Pacheco Water District and Charleston Drainage District.

6 PWD is governed by a five-person Board of Directors comprised of landowners.

7 Defendant JULIE CASCIA was an employee of PWD and held the title of Office Manager
8 of PWD.

9 Defendant ATOMIC FALASCHI was an employee of PWD and held the titles of
10 Operations Assistant, Administrative Assistant and San Joaquin River Improvement Project
11 Manager at PWD.

12 Defendant DENNIS FALASCHI was an employee of PWD and held the title of General
13 Manager of PWD.

14 Defendant JACK HURLEY was listed as a part-time employee of PWD.

15 Defendant DUBBY WEST was an employee of PWD and held the title of Shop Supervisor.

16 **COUNT ONE**

17 **CONSPIRACY TO MISAPPROPRIATE PUBLIC FUNDS**
18 **(PENAL CODE SECTIONS 182(a)(1) and 424(a)(1))**

19 Between on or about September 15, 2011, through May 31, 2016, the Defendants JULIE
20 CASCIA, ATOMIC FALASCHI and DENNIS FALASCHI did, in the County of Fresno, State of
21 California, commit a FELONY, to wit: CONSPIRACY TO COMMIT A CRIME, a violation of
22 section 182, subdivision (a)(1), of the PENAL CODE of California, in that said Defendants did
23 unlawfully conspire together and with another person and persons whose identity is unknown to
24 commit the crime of Embezzlement and Misappropriation of Public Funds, a felony, in violation
25 of section 424, subdivision (a)(1) of the Penal Code; that pursuant to and for the purpose of
26 carrying out the objectives and purpose of the aforesaid conspiracy, the said Defendants
27 committed the following overt act and acts and in the County of Fresno:

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1 Overt Act 1

2 Between on or about September 15, 2011, and on or about May 31, 2016, defendant
3 DENNIS FALASCHI instructed defendant CASCIA how to handle accounting and business
4 expense issues at PWD and how to classify certain financial transactions as either business
5 expenses or personal expenses while working in the PWD office in Fresno County. Defendant
6 CASCIA processed payment of the financial transactions described in this Complaint as PWD
7 business expenses.

8 Overt Act 2

9 Between on or about September 15, 2011, and on or about May 31, 2016, defendant
10 DENNIS FALASCHI advised defendant CASCIA that the PWD Board of Directors was aware of
11 and approved the use of PWD credit cards by PWD employees for personal purchases, and
12 defendant DENNIS FALASCHI decided how credit card transactions were handled.

13 Overt Act 3

14 On or about March 14, 2014, in Fresno County defendant DENNIS FALASCHI ordered a
15 slot machine from Gambler's Oasis LLC, an Ohio arcade gaming vendor, and used the PWD
16 credit card issued to defendant DENNIS FALASCHI to pay \$2,805.00 for the purchase of an
17 "IGT Game King" slot machine. The slot machine was delivered to defendant DENNIS
18 FALASCHI in Reno, Nevada.

19 Overt Act 4

20 On or about January 11, 2015, in Fresno County defendant DENNIS FALASCHI ordered a
21 second slot machine from Gambler's Oasis LLC, an Ohio arcade gaming vendor, and used the
22 PWD credit card issued to defendant DENNIS FALASCHI to pay \$2,701.58 for the purchase of a
23 second "IGT Game King" slot machine. The slot machine was delivered to defendant DENNIS
24 FALASCHI in Reno, Nevada.

25 Overt Act 5

26 On or about March 25 and March 31, 2015, defendant CASCIA ordered kitchen appliances,
27 remodeling equipment and other associated components from Fresno Distributing, a plumbing,
28 appliance and building supply business located in Fresno County, and defendant CASCIA used

1 the PWD credit card issued to defendant CASCIA to pay \$4,109.22 for the purchase of kitchen
2 appliances and associated components for installation in her personal home in Merced County.

3 Overt Act 6

4 On or about October 15, 2014, defendant DENNIS FALASCHI and defendant CASCIA
5 approved a loan of \$20,882.79 to be used by PWD employee Robert Zavala to cover a court-
6 ordered debt collection that was being deducted from Zavala's PWD paycheck by the California
7 Franchise Tax Board under an earnings withholding order for court-ordered debt, and defendant
8 DENNIS FALASCHI and CASCIA caused a check to issue from PWD funds to be provided to
9 the California Franchise Tax Board for Zavala's court-ordered debt account in the amount of
10 \$20,882.79.

11 Overt Act 7

12 On or about November 7, 2014, from Fresno County defendant CASCIA paid to Merced
13 Volkswagen Kia \$6,459.05 for major repairs performed on a luxury SUV Volkswagen Taureg
14 owned by PWD and used the PWD credit card issued to defendant CASCIA, while the luxury
15 SUV was operated by a clerical employee during that employee's personal time.

16 Overt Act 8

17 On or about October 8, 2015, in Fresno County defendant DENNIS FALASCHI approved
18 the sale of the Taureg by PWD to Jessica Egli, a PWD employee, for \$5.00. Egli's employment
19 with PWD terminated on October 31, 2015.

20 Overt Act 9

21 On or about March 25, 2015, defendant DENNIS FALASCHI approved the transfer of
22 1,500 PWD-owned pistachio trees from Fresno County, purchased by PWD at the cost of
23 \$22,500.00 for use on PWD-managed properties, to be transported from PWD property in Fresno
24 County and provided to defendant ATOMIC FALASCHI for personal use on the private property
25 of defendant ATOMIC FALASCHI in Merced County.

26 Overt Act 10

27 From on or about February 9, 2014 through on or about March 17, 2014, defendant
28 DENNIS FALASCHI approved the issuance of PWD purchase orders in Fresno County for the

1 total amount of \$13,824.53, and disbursed by defendant CASCIA from Fresno County, to be
2 distributed to American Rod and Auto for the performance of work on a 2003 Cadillac CTS not
3 owned or operated by PWD.

4 Overt Act 11

5 From on or about December 16, 2013 through on or about January 23, 2014, as part of an
6 agreement made in Fresno County defendant DENNIS FALASCHI caused an individual named
7 Alan Sagouspe to provide funds in the amount of \$15,000.00 to be paid to American Rod and
8 Auto for the performance of work on a 1975 Olds Cutlass vehicle owned by defendant DENNIS
9 FALASCHI and not owned or operated by PWD.

10 Overt Act 12

11 From on or about February 22, 2012 through on or about August 19, 2014, as part of an
12 agreement made in Fresno County defendant DENNIS FALASCHI caused an individual named
13 Alan Sagouspe to provide funds in the amount of \$14,237.78 to be paid to American Rod and
14 Auto for the performance of work on a 1986 Porsche 911 vehicle not owned or operated by PWD
15 and owned by Kathy Collins, a personal friend of defendant DENNIS FALASCHI.

16 Overt Act 13

17 On or about October 2, 2015, as part of an agreement made in Fresno County defendant
18 DENNIS FALASCHI caused an entity known as Alan Sagouspe Farming to provide funds in the
19 amount of \$31,538.00 to be paid to Quality Carpets for the purchase of new flooring to be
20 installed in the house of Jeff Bryant, a consultant for PWD, at a residence not owned by PWD.

21 Overt Act 14

22 From on or about September 15, 2011 through on or about May 31, 2016, defendant
23 DENNIS FALASCHI instructed PWD employees in Fresno County, during their time employed
24 by PWD and while being paid as an employee for PWD, to perform landscaping services on
25 private properties and residences not owned by PWD, and defendant CASCIA processed payroll
26 and expenses to be paid to those PWD employees in Fresno County, with the PWD time and
27 services amounting to over \$25,000.00.

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COUNT TWO

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Count One above, on or about March 14, 2014 and again on January 11, 2015, the Defendant DENNIS FALASCHI did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendant, being a person described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds of at least \$5,506.58 by purchasing two slot machines for his own personal use or for the personal use of another.

COUNT THREE

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Counts One and Two above, on or about March 25 and March 31, 2015, the Defendant JULIE CASCIA did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendant, being a person described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds of at least \$4,109.22 by purchasing kitchen appliances and other remodeling parts installed in her personal home for her own personal use or for the personal use of another.

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COUNT FOUR

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Counts One through Three above, on or about Month, 2016, the Defendants JULIE CASCIA and DENNIS FALASCHI did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendants, being persons described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds in the amount of \$20,882.79 to pay for court-ordered debt for the use of another person, Robert Zavala.

COUNT FIVE

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Counts One through Four above, on or about November 7, 2014, the Defendants JULIE CASCIA and DENNIS FALASCHI did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendants, being persons described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds in the amount of \$6,459.05 by using a PWD credit card issued to Defendant JULIE CASCIA to pay for major repairs to a luxury SUV Volkswagen Taureg and then Defendant DENNIS FALASCHI approved the sale for \$800.00 of that luxury SUV owned by PWD to a former PWD employee for her own personal use.

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COUNT SIX

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Count One through Five above, on or about March 25, 2015, the Defendants ATOMIC FALASCHI and DENNIS FALASCHI did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendants, being persons described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds in the amount of \$22,500.00 by transferring 1,500 pistachio trees owned by PWD and purchased for use on PWD-managed properties to be provided to defendant ATOMIC FALASCHI with the approval of Defendant DENNIS FALASCHI for personal use on the private property of defendant ATOMIC FALASCHI for his personal use or for the personal use of another.

COUNT SEVEN

**EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS
(PENAL CODE SECTION 424(a)(1))**

For a further and separate cause of action, being a different offense from but connected in its commission to the charges set forth in Counts One through Six above, from on or about February 9, 2014 to on or about March 17, 2014, the Defendants JULIE CASCIA and DENNIS FALASCHI did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision (a)(1), of the PENAL CODE of California, in that said Defendants, being persons described in Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public moneys, did in a manner not incidental and minimal, without authority of law, appropriate PWD funds by causing purchase orders to be issued by PWD in the total amount of \$13,824.53, disbursed by defendant CASCIA, and provided to American Rod and Auto for the

1 performance of automotive repair work on a 2003 Cadillac CTS personally owned by another
2 individual and not for the use of PWD.

3
4 **COUNT EIGHT**

5 **EMBEZZLEMENT AND MISAPPROPRIATION OF PUBLIC FUNDS**
6 **(PENAL CODE SECTION 424(a)(1))**

7 For a further and separate cause of action, being a different offense from but connected in
8 its commission to the charges set forth in Counts One through Seven above, from on or about
9 December 16, 2013 through on or about March 17, 2014, the Defendant DENNIS FALASCHI
10 did, in the County of Fresno, State of California, commit a FELONY, to wit: EMBEZZLEMENT
11 AND MISAPPROPRIATION OF PUBLIC FUNDS, a violation of section 424, subdivision
12 (a)(1), of the PENAL CODE of California, in that said Defendants, being a person described in
13 Penal Code section 424 charged with the receipt, safekeeping, transfer or disbursement of public
14 moneys, did in a manner not incidental and minimal, without authority of law, appropriate funds
15 or money to be supplied to PWD to be paid in the amount of at least \$29,237.78 to American Rod
16 and Auto for the performance of automotive repair work on a vehicle personally owned by
17 defendant DENNIS FALASCHI and for work on other vehicles not owned or used by PWD.

18 **COUNT NINE**

19 **UNLAWFUL DISPOSAL OF HAZARDOUS WASTE**
20 **(HEALTH & SAFETY CODE SECTION 25189.5(b))**

21 For a further and separate cause of action, being a different offense from but connected in
22 its commission to the charges set forth in Count One through Eleven above, from on or about
23 November 2013 through on or about January 31, 2014, the Defendants DENNIS FALASCHI,
24 JACK HURLEY and DUBBY WEST did, in the County of Fresno, State of California, commit a
25 FELONY, to wit: DISPOSAL OF HAZARDOUS WASTE AT AN UNPERMITTED SITE, a
26 violation of section 25189.5, subdivision (b), of the HEALTH & SAFETY CODE of California,
27 in that said Defendants, did knowingly dispose of, or cause the disposal of, hazardous waste or
28 reasonably should have known that they were disposing or causing the disposal of hazardous
waste, including but not limited to chlorine, caustic soda and iron chloride, at a facility or a point

1 which is not authorized by the California Department of Toxic Substances Control for such
2 disposal, specifically, buried in a pit or in the soil at the Panoche Water District yard located at
3 52027 West Althea Avenue near Firebaugh, California.

4 **COUNT TEN**

5 **UNLAWFUL TRANSPORTATION OF HAZARDOUS WASTE**
6 **(HEALTH & SAFETY CODE SECTION 25189.5(c))**

7 For a further and separate cause of action, being a different offense from but connected in
8 its commission to the charges set forth in Count One through Twelve above, on or about March
9 27 and March 28, 2017, the Defendants JULIE CASCIA and DUBBY WEST did, in the County
10 of Fresno, State of California, commit a FELONY, to wit: TRANSPORTATION OF
11 HAZARDOUS WASTE TO AN UNPERMITTED SITE, a violation of section 25189.5,
12 subdivision (c), of the HEALTH & SAFETY CODE of California, in that said Defendants, did
13 knowingly transport, or caused the transportation of, hazardous waste or reasonably should have
14 known that they were causing the transportation of hazardous waste, including but not limited to a
15 drum from the Panoche Water District auto shop containing a mixture of used antifreeze, used
16 solvents and used oil, to a facility or a point which is not authorized by the California Department
17 of Toxic Substances Control for such waste, specifically, to Merced County's Billy Wright
18 Landfill and then to Windecker, Inc, located at 940 H Street, Los Banos, California.

19 **SPECIAL ALLEGATION ONE**

20 **AGGRAVATED WHITE COLLAR CRIME ENHANCEMENT IN EXCESS OF \$100,000**
21 **(PENAL CODE SECTION 186.11(a)(1))**

22 As to Counts One through Eight, it is further alleged that in the commission of the above
23 offenses the said defendants JULIE CASCIA and DENNIS FALASCHI violated Penal Code
24 186.11, subdivision (a)(1), in that the offenses set forth in Counts 1 through 8 are related felonies,
25 a material element of which is fraud and embezzlement, which involves a pattern of related felony
26 conduct, and the pattern of related felony conduct involves the taking of more than One Hundred
27 Thousand Dollars (\$100,000).

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SPECIAL ALLEGATION TWO

**INELIGIBLE FOR PROBATION FOR THEFT IN EXCESS OF \$100,000
(PENAL CODE SECTION 1203.045(a))**

As to Counts One through Eight, it is further alleged that in the commission of the above offenses the said defendants JULIE CASCIA and DENNIS FALASCHI committed a theft of over \$100,000, within the meaning of Penal Code Section 1203.045, subdivision (a).

NOTICE: A conviction of this offense excludes defendant from a sentence of imprisonment in the county jail pursuant to Penal Code section 1170, subdivision (h).

TOLLING OF THE STATUTE OF LIMITATIONS

It is further alleged that as offenses described in Penal Code section 801.5, Counts One through Eight involve offenses which include a material element of fraud, breach of a fiduciary obligation, or misconduct in office by a public officer or employee, and that each of the above violations were not discovered until September 10, 2015, at the earliest, by the Federal Bureau of Investigation ("FBI") when a private investigator appeared at the Fresno FBI office and provided information and documents showing that he discovered evidence of the theft of public funds and the misappropriation of public funds by defendants DENNIS FALASCHI, JULIE CASCIA and ATOMIC FALASCHI by examining records maintained by the PWD after a local farmer hired the investigator to review overcharging by PWD for water purchased for the farmer's land, and that no victim of the said violations and no law enforcement agency chargeable with the investigation or prosecution of any of the said violations had actual and constructive knowledge of the violation prior to the discovery date, within the meaning of Penal Code section 803, subdivision (c).

It is further alleged that as offenses described in Penal Code section 803, subdivision (e), Counts Nine and Ten involve offenses under Chapter 6.5 (commencing with Section 25100) of Division 20 of the Health and Safety Code, and that Counts Nine and Ten were not discovered, or could not have been reasonably discovered until February 27, 2017, at the earliest, by the California Department of Toxic Substances Control, within the meaning of Penal Code section 803, subdivision (e).

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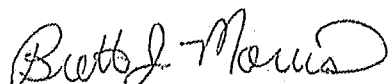
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Pursuant to Penal Code Section 1054.5, subdivision (b), the People of the State of California hereby informally request that defense counsel provide to the People of the State of California all discovery as required by Penal Code Section 1054.3.

DECLARATION

I verify under information and belief, pursuant to Penal Code section 806, that the forgoing is true and correct.

Dated: February 14, 2018


BRETT J. MORRIS
Deputy Attorney General
Attorneys for People of the
State of California

2/20/18
DEPUTY CLERK



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