

# Disgraced former city manager gets prison



Former Bell city manager Robert Rizzo, listens to questions from the media, as he leaves the Edward R. Roybal Federal building and United States courthouse Monday, April 14, 2014.

**AP** 12 hr ago By JOHN ROGERS of Associated Press

LOS ANGELES (AP) — The disgraced former city manager who became the face of a multimillion dollar corruption scandal in the small Los Angeles suburb of Bell was sentenced in federal court Monday to 33 months in prison for income tax evasion.

Robert Rizzo, 60, pleaded guilty in January to conspiracy and filing a false federal income tax return.

Rizzo also has pleaded no contest to 69 counts of fraud, misappropriation of public funds, falsification of public records and other charges. He is due to be sentenced in state court on those charges Wednesday and faces 12 years in prison.

U.S. attorney's spokesman Thom Mrozek said Rizzo also was ordered to repay nearly \$256,000 in back taxes and serve his federal sentence consecutively with his state punishment.

Rizzo acknowledged creating a corporation to claim more than \$700,000 in phony financial losses to reduce his tax liability on the \$1.5 million salary and benefits package he was receiving as city manager. Prosecutors said \$120,000 of those supposed losses was money he spent remodeling his Huntington Beach home.

Federal prosecutors wrote in a sentencing memo that Rizzo "abused his position to fleece the city of Bell of hundreds of thousands of dollars that he paid to himself in excessive salary — monies that could have been spent for the benefit of the people he served."

The statement continued, "in an extraordinary display of greed, defendant also found it necessary to cheat the IRS."

Rizzo hasn't commented. Defense attorney James Spertus said Monday that his client, "did wrong, and he's accepting responsibility."

Rizzo and other top Bell officials were arrested in 2010 after it was discovered they were illegally diverting millions of taxpayer dollars to pay themselves huge salaries.

Prosecutors said the scam cost Bell more than \$5.5 million and drove a city where more than a quarter of the residents live below the federal poverty line to the brink of bankruptcy.

Authorities have used testimony from other city officials, including City Council members, to portray Rizzo as the mastermind of a scheme that involved illegally raising property taxes, business license fees, trash collection fees and diverting state gas funds.

At one point homeowners in Bell, where the median annual household income is \$36,000, were paying higher property taxes than people in Beverly Hills, according to an audit by the state controller's office.

Rizzo's chief assistant, Angela Spaccia, was sentenced last week to more than 11 years in prison for her role. At trial, she characterized Rizzo as the scam's architect, saying she prepared documents that misappropriated public funds and hid the action from the public — but only at his direction.

Also, five former City Council members pleaded no contest last week to misappropriation of public funds. During trial, the council members and their attorneys also said Rizzo was the head of the scandal.

Spaccia was making \$564,000 a year when she was arrested, and most of Bell's City Council members were getting about \$100,000 a year. Several other officials had salaries well above \$100,000.

Spaccia said she never knew she was breaking the law, but she conceded her salary was at least twice what it should have been.

Spertus, however, said Monday it was Spaccia who came up with the plan and that Rizzo "just said 'OK' when ideas were presented to him that constitute a crime. As the senior official, he should have said, 'No way, get out of my office.'"

He did wrong, and he's accepting responsibility."Because of his client's cooperation with prosecutors, Spertus said, he hopes Rizzo will receive a five-year term when he is sentenced in state court Wednesday.