

Accusations in California

John Mone:

One by one, eight current and former city officials from scandal-plagued Bell, California appeared in Los Angeles criminal court. The one gaining the most attention: former city administrator Robert Rizzo, who made close to eight hundred thousand dollars a year, almost twice the salary of the president of the United States. Prosecutors say he and seven others who served as administrators or city councilors turned this small, working-class L.A. suburb into their personal slush fund. The state comptroller says they did this by mismanaging fifty million dollars in bond money, levying improper taxes and extending improper loans.

John Mone:

Three of those charged were given permission to post bail right away. But the rest, including Rizzo and his former deputy Angela Spaccia, had to appear before another judge to prove they wouldn't use looted funds to get out of jail.

James Spertus:

The only issue really is flight risk, and I submit that, you know, this is a, this is a-a bit of a circus and...

Judge [off camera]:

No it's not. It's a courtroom.

John Mone:

Outside the court, lawyers for the accused say their clients are bewildered about the charges.

Stanley Friedman:

And we contend that they're innocent and that the funds were not stolen. There were monies paid to them pursuant to contract. And, uh, it's going to be our position that the funds were paid legally and, uh, in a, in a transparent manner.

Russell Petti:

The charges appear to be limited to three loans that were made by the City of Bell to her. Uh, what the complaint does not say is that those loans were completely repaid with interest.

John Mone:

Back in Bell, riled-up residents cheered the criminal hearings. Some even drove up to see them.

Nestor Valencia:

But it's just the beginning. As I was told, this is just the [tip] of the iceberg. So there's a whole lot more to do for the justice system. And I continue insisting that we need the federal authorities to come in and apply the RICO statutes.

John Mone:

Rizzo was ordered held on two million dollars bail. If convicted on all of the charges, he alone could serve up to fifty-eight years in prison.

John Mone:

John Mone, The Associated Press, Los Angeles.

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