



City of Phoenix

OFFICE OF THE CITY COUNCIL

Sal DiCiccio
Councilman

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Department of Law
1275 West Washington Street
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July 10, 2014

Dear Attorney General Tom Horne:

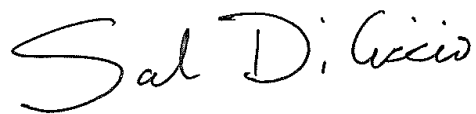
Yesterday, the Arizona Republic reported in a column by Craig Harris, titled *Pension trust ends illegal raises uncovered by The Republic*, that the Public Safety Personnel Retirement System (PSPRS) illegally granted pay raises of up to 27% to five investment staff employees without the approval of the state Department of Administration, as required by law. That a body entrusted with a fiduciary duty to our state's retirees has engaged in an apparent violation of the law is extremely troubling, and I urge your office to investigate the matter thoroughly. In particular, the person or persons who authorized the raises should be identified and appropriate disciplinary and legal actions be taken.

Such mishandling of state funds is unacceptable at any time, but it is particularly offensive during this period in which the state and cities are finding it difficult to provide fundamental government services like police protection due to budget shortfalls. The fact that our capitol building has been sold to an outside party due to Arizona's financial straits is testament to the gravity of our situation. Every taxpayer dollar matters, and while I am pleased to learn that the illegal raises have been halted, this measure is not nearly enough. On behalf of the taxpaying citizens of Arizona, we *must* insist on recovering the improperly granted money without delay. In this letter I am requesting that:

1. Your office take measures to immediately return those taxpayer dollars that were illegally granted as pay raises.
2. Your office takes steps to identify the person or persons responsible for granting these pay raises. And, to determine if those individuals knowingly granted those pay raises contrary to state law.
3. Your office takes the necessary steps to prosecute those individuals if they took this action knowing full well it was illegal.

Confidence in public officials to do their duty honestly and to safeguard the interests of the people is fundamental to our system of government. The PSPRS violated that trust, but swift action by your office to recover those funds will help to restore a measure of the trust that was lost.

Respectfully,

A handwritten signature in black ink that reads "Sal DiCiccio". The signature is written in a cursive, slightly slanted style.

Councilman Sal DiCiccio