



NEWS RELEASE

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Judge Dismisses City Attorney's Lawsuit Against San Diego City Employees' Retirement System Officials

SAN DIEGO – The San Diego City Employees' Retirement System (SDCERS) announced today that Superior Court Judge Charles Wickersham has dismissed, without leave to amend, City Attorney Mike Aguirre's lawsuit against SDCERS top staff and six former Board Members in the People v. Grissom, et al.

The City Attorney's lawsuit asserted that Administrator Lawrence Grissom, General Counsel Lori Chapin and former Board Members Bruce Herring, Cathy Lexin, Ron Saathoff, John Torres, Terri Webster and Sharon Wilkinson violated the Political Reform Act (PRA) which prohibits a public official from participating in any decision where he or she has a "financial interest."

In his ruling, Judge Wickersham states that "...pension benefits cannot as a matter of law constitute the type of "income" resulting in a "financial interest," which violates the Political Reform Act (PRA)." Additionally, in oral arguments, the City Attorney was unable to articulate any "financial interest" that would be a violation of the PRA. Consequently, the City Attorney's request to amend the complaint was rejected and the case has been dismissed.

"The City Attorney's claim that pension board members should not be involved in pension matters because they may someday receive a pension benefit, is in direct conflict with the City Charter." Said Board President Peter Preovolos. "The Charter explicitly requires employee membership on the board, and as the current Board President, having employees serving with me has been an essential component in understanding the concerns of our members and the benefits to which they are entitled. Judge Wickersham was diligent in considering the facts of this case and we're very pleased with the positive outcome."

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SDCERS is a \$3.6 billion trust fund administered by the Board of Administration for the City of San Diego, the San Diego Unified Port District and the San Diego County Regional Airport Authority. The Board holds monthly meetings at 401 B Street, Suite 400, San Diego, CA 92101 typically on the third Friday of the month. This facility is disability accessible. For more information and meeting agendas, please visit the SDCERS website at www.sdcers.org.

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