



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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City Wins Another Pension Case

Judge Ronald S. Prager has tossed out another lawsuit against the City of San Diego filed on behalf of employees who purchased pension service credits in 2003 for below cost in violation of local laws and have been required to make up the costs. In *Abbe vs. City of San Diego*, the complaint alleges that the City had liability for "aiding and abetting" and seeking reimbursement from the City. Judge Prager ruled that "there can be no liability for aiding and abetting where no primary wrong occurred" and pointed out that the cost of the benefit was to be borne by the employees. Judge Prager's ruling dismisses all claims against the City.

"This was just another lawsuit trying to circumvent our local pension laws," said City Attorney Jan Goldsmith. "If there is one lesson that should have been learned from court decisions over the past four years it is that the courts will enforce our local pension laws, including our City Charter."

In August through November, 2003, about 2,000 City employees were undercharged the cost of purchasing over 6,500 years of service for their pension years. In 2010, the Fourth District Court of Appeal held that the City was not responsible to make up those undercharges. The *Abbe* case sought to circumvent the Court of Appeal decision under a theory that the City was an "aider and abettor."

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