

CalPERS Legal Office
Monthly New Case Report
November 15, 2018

NEW CASE REPORT

| | |
|-----------------------------------|---|
| Name of Case (full name): | Rita K. Palo v. California Public Employees' Retirement System |
| Date Received By Legal Office: | September 25, 2018 |
| Attorney Contact(s): | Austa Wakily – CalPERS Counsel |
| Program Contact(s): | LEGO |
| Plaintiff(s): | Rita K. Palo |
| Defendant(s): | California Public Employees' Retirement System |
| Other Parties: | None |
| Issues/Status: | This Complaint for Declaratory Relief was served on CalPERS on September 28, 2018. It seeks a ruling from the Superior Court that CalPERS has wrongfully seized from Plaintiff's retirement warrants over \$3,000, which CalPERS considers an overpayment, due to a re-adjustment of benefits calculated by CalPERS after her retirement. Plaintiff demands an immediate refund, plus 10% interest. CalPERS' Answer is due on November 8, 2018. |
| Potential Monetary Impact: | Unknown at this time. |

CalPERS Legal Office
Monthly New Case Report
November 15, 2018

NEW CASE REPORT

| | |
|-----------------------------------|--|
| Name of Case (full name): | Susan Galloway v. Board of Administration of California Public Employees' Retirement System |
| Date Received By Legal Office: | September 24, 2018 |
| Attorney Contact(s): | Rory Coffey – CalPERS Counsel |
| Program Contact(s): | EAMD |
| Plaintiff(s): | Susan Galloway |
| Defendant(s): | Board of Administration of California Public Employees' Retirement System |
| Other Parties: | None |

| | |
|----------------|--|
| Issues/Status: | This is a Writ of Mandate served on CalPERS on September 24, 2018, to obtain a retroactive reclassification of the member from a local miscellaneous to a local safety member. On October 18, 2018, CalPERS filed a demurrer to the Petition on the following grounds: (1) the Petition fails to state facts sufficient to constitute a cause of action against CalPERS; (2) the court has no jurisdiction because the Petitioner failed to comply with the Government Claims Act; and (3) the pleading is uncertain, because it does not identify or allege the statute or statutes which, taken together, impose upon CalPERS the duty to do what Petitioner seeks. A hearing on the demurrer is set for January 15, 2019. |
|----------------|--|

| | |
|----------------------------|-----------------------|
| Potential Monetary Impact: | Unknown at this time. |
|----------------------------|-----------------------|

CalPERS Legal Office
Monthly New Case Report
November 15, 2018

NEW CASE REPORT

| | |
|---------------------------|---|
| Name of Case (full name): | Ruth Aliser, Teresa Boyle, Renee Browne, Stephanie Caudel, Peter Finn, Samira Golbad, Tom McCavitt, Kenton Miller, Mariam E. Noujaim, Lorenzo Nolan, Maureen O'Brien, Javier Palmerin, Barbara Park, Erin Thompson, and James White v. SEIU California; California State University Employees Union, SEIU Local 1000, SEIU Local 521, SEIU Local 721, SEIU Local 1021, SEIU Local 2015, California State Employees Association; California State Retirees; Board of Trustees of the California State University; Edmund G. Brown; Xavier Becerra; Betty Yee, Eric Banks, Priscilla Winslow, Erich Shiners, Arthur A. Krantz; Priya Mathur, Rob Feckner, Margaret Brown, John Chiang, Richard Costigan, Dana Hollinger, Adria Jenkins-Jones, Henry Jones, David Miller, Ramon Rubalcava, Bill Slaton, Theresa Taylor, and Betty Yee; Alex M. Azar II; Seema Verma; United States of America |
|---------------------------|---|

| | |
|-----------------------------------|--------------------|
| Date Received By Legal Office: | September 21, 2018 |
|-----------------------------------|--------------------|

| | |
|----------------------|--------------------------------|
| Attorney Contact(s): | John Shipley – CalPERS Counsel |
|----------------------|--------------------------------|

| | |
|---------------------|------|
| Program Contact(s): | LEGO |
|---------------------|------|

| | |
|---------------|---|
| Plaintiff(s): | Ruth Aliser, Teresa Boyle, Renee Browne, Stephanie Caudel, Peter Finn, Samira Golbad, Tom McCavitt, Kenton Miller, Mariam E. Noujaim, Lorenzo Nolan, Maureen O'Brien, Javier Palmerin, Barbara Park, Erin Thompson, and James White |
|---------------|---|

| | |
|---------------|---|
| Defendant(s): | SEIU California; California State University Employees Union, SEIU Local 1000, SEIU Local 521, SEIU Local 721, SEIU Local 1021, SEIU Local 2015, California State Employees Association; California State Retirees; Board of Trustees of the California State University; Edmund G. Brown; Xavier Becerra; Betty Yee, Eric Banks, Priscilla Winslow, Erich Shiners, Arthur A. Krantz; Priya Mathur, Rob Feckner, Margaret Brown, John Chiang, Richard Costigan, Dana Hollinger, Adria Jenkins-Jones, Henry Jones, David Miller, Ramon Rubalcava, Bill Slaton, Theresa Taylor, and Betty Yee; Alex M. Azar II; Seema Verma; United States of America |
|---------------|---|

| | |
|----------------|------|
| Other Parties: | None |
|----------------|------|

| | |
|----------------------------|---|
| Issues/Status: | <p>CalPERS and its Board members in their official capacities were served with this putative class action Complaint on September 21, 2018. This federal lawsuit primarily seeks a refund of union dues paid in the past and an injunction that would mandate the way unions and the State collect dues in the future. It follows on the U.S. Supreme Court's recent decision, <i>Janus v. AFSCME Council 31</i>, 138 S. Ct. 2448 (2018). In that case, the Supreme Court held that, "Public sector agency-shop arrangements, under which public sector unions charge non-members for proportionate share of union dues attributable to a union's activities as the collective bargaining representative violate the First Amendment." There is also a separate claim against CalPERS alleging that CalPERS has been illegally deducting \$9 a month from a retiree's warrant because California State Retirees (CSR) had instructed CalPERS to make those deductions. The Complaint seeks a refund of amounts paid by all similarly situated retirees and an injunction prohibiting CalPERS from diverting any money from a retiree's pension to CSR unless and until CalPERS obtains a signed document from the retiree authorizing such withdrawal. On October 8, 2018, Plaintiffs filed a Motion for Preliminary Injunction regarding the claims pertaining to various actions of the State and unions regarding union dues. This Motion does not impact the separate allegations against CalPERS and retiree warrant deductions for CSR. A hearing on the motion is set for November 15, 2018. The date to file a responsive pleading to the Complaint has been extended to December 7, 2018.</p> |
| Potential Monetary Impact: | Unknown at this time. |

CalPERS Legal Office
Monthly New Case Report
November 15, 2018

NEW CASE REPORT

| | |
|-----------------------------------|---|
| Name of Case (full name): | John Cussins, Donald Yegge, Patsy Jardin v. City of Loyalton, California Public Employees' Retirement System |
| Date Received By Legal Office: | September 19, 2018 |
| Attorney Contact(s): | Elizabeth Yelland; Marguerite D. Seabourn – CalPERS Counsel Jason Levin, Steptoe & Johnson LLP – Outside Counsel |
| Program Contact(s): | LEGO |
| Plaintiff(s): | John Cussins, Donald Yegge, Patsy Jardin |
| Defendant(s): | City of Loyalton, California Public Employees' Retirement System |
| Other Parties: | None |
| Issues/Status: | CalPERS was served with this Complaint on September 19, 2018. Plaintiffs, retired employees of the City of Loyalton, allege that effective January 2018, CalPERS ceased paying them any retirement benefits because the City defaulted on its obligations to CalPERS. The Complaint primarily alleges breach of contract and breach of fiduciary duty. Currently, a responsive pleading to the Complaint is due on November 28, 2018. |

| | |
|----------------------------|-----------------------|
| Potential Monetary Impact: | Unknown at this time. |
|----------------------------|-----------------------|