

Bond Case Briefs

Municipal Finance Law Since 1971

PENSIONS - CALIFORNIA

Meyers v. Retirement Fund of Fed. City Employees

Court of Appeal, Sixth District, California - January 22, 2014 - Not Reported in Cal.Rptr.3d - 2014 WL 228689

Former City of San Jose employee, petitioned under Probate Code sections 15642 and 172001 for an order removing certain trustees of defendant The Retirement Fund of the Federated City Employees ("Retirement Fund"), the retirement system for the City of San Jose.

The superior court dismissed the petition on the grounds the Retirement Fund is expressly excluded from the definition of a "trust" under section 82, and thus a petition to remove trustees under the Probate Code may not be maintained against it.

On appeal, employee argued that the judgment must be reversed, despite the exclusionary language of section 82, because: (1) the California Constitution mandates that "[t]he assets of a public pension or retirement system are trust funds" (Cal. Const., art. XVI, § 17, subd. (a) (section 17)); and (2) section 15003, subdivision (c) (section 15003(c)) specifically allows for the application of trust law to public pension funds.

The Court of Appeal disagreed, affirming the superior court's ruling.