Filed 1202 MAY under Featury Penalty Law REFUGED ASSISTANCE FOUNDATION. INDO CUINESIS CIVIL RIQUITS ACTION with permission YOUNDER' NGUYEN, T'TO CAN \*E #44 ALDER St., STOCKTON, CA 95204 to be used as PUBLIC INFORMATION or COURT DOCUMENT infufiv me for PUBLIC AWARENESS upholding LAW & JUSTICE FROM: 80-year-old: NGUYEN; T TO CAN; RAF+CRA FOUNDER and ONE OF MULTIMILLION CALIFORNIA-VICTIMS OF MENTALHEALTH-HEALTHCARE & LAW-COURT-RELATED CRIMES/TORTURE/FALSE, IMPRISONMENT / ABUSE OF WIG-5150, PENAL CODE PROCEEDING ... TO SUPPRESS: "VALID REPORTS ON GOVERNMENT CORRUPTION + FUNDED TERRRORISTS! TERRORISM" still funded, nurtured by OBAMA WHITE HOUSE + CABINET & CA-BROWN REGIME & LOCAL AUTHORITIES, especially in STOCKTON-SAN JOAOUIN & Judge: Hon. Christopher M. Klein | United States Bankruptcy Court Dept: Court 35 Eastern District Of California Opposition to First Amended Plan For The Adjustment Of Debts Of City Of Stockton, California has scheduled a confirmation hearing for March 5, 2014, at 9:30 a.m. before Charles Apriled States Bankruptcy Judge Christopher M. Klein in Courtroom 35! located on the 6th floor of the Control OCT 25,2014 States Courthouse, Case No. 2012-32118 Chapter 9: Adjustment of RE-opposition to AMBNORD Plan for U.S. Bankruptcy gudge for OCTOBER 30,2014 Court Kelling justification Twelve-page Valid Evidencies in SAN JOAGREM COUNTY Elected ~ Appointed oned attorneys-legg S- MAYOR We PVB made > contracti of S-aty government EX-City WANNIER of Allegoures A.B.Kby gov't a sing more socioeconomic deterioration - homelessness poureti muself suffer until very day 6 terroriem ~ conspirators erjury violators is displayed in SEP 3 0 2014 Justice and detailed later to uphold

PAGES Case 12-32118 Filed 10/27/14 Doc 1741 MARC A. LEVINSON (STATE BAR NO. 57613) malevinson@orrick.com NORMAN Č. HILE (STATE BAR NO. 57299) nhile@orrick.com PATŘÍCK B. BOCASH (STATE BAR NO. 262763) 3 pbocash@orrick.com ORRICK, HERRINGTON & SUTCLIFFE LLP 4 400 Capitol Mall, Suite 3000 Sacramento, California 95814-4497 5 +1-916-447-9200 Telephone: +1-916-329-4900 6 Facsimile: 7 Attorneys for Debtor City of Stockton 8 UNITED STATES BANKRUPTCY COURT 9 EASTERN DISTRICT OF CALIFORNIA 10 SACRAMENTO DIVISION 11 12 Case No. 2012-32118 In re: 13 CITY OF STOCKTON, CALIFORNIA, D.C. No. OHS-15 14 Chapter 9 Debtor. 15 CITY'S RESPONSE TO OPPOSITION 16 OF T. TO CAN NGUYEN TO FIRST AMENDED PLAN 17 May 12, 2014 Date: 18 9:30 a.m. Time: Courtroom 35 Dept: 19 Hon. Christopher M. Klein Judge: 20 T. To Can Nguyen, a resident of the City of Stockton, California ("City") who is not listed PAGE 2 by the City in any of its filings as a creditor and who has not filed a proof of claim in this case, 2 2 filed identical pleadings in opposition to the City's proposed plan of adjustment on March 3 and 3 March 6, 2014 [Dkt. Nos. 1276 and 1277, respectively] (together, "Opposition"). The Opposition is little more than a rant, and City cannot discern in it any cognizable legal objection to the plan. 5 The City acknowledges that the Opposition states that "detailed testimony will be forwarded 6 later," and will respond to such testimony if and when it is filed. 7 8 9 MARC A. LEVINSON Dated: March 28, 2013 NORMAN C. HILE 10 PATRICK B. BOCASH **BOARD OF SUPERVISORS** Orrick, Herrington & Sutcliffe LLP 11 MAR **3 1** 2014 12 /s/ Marc A. Levinson RECEIVE MARCA LEVINSON

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I am a citizen of the United States, more than eighteen years old and not a party to this action. My place of employment and business address is 400 Capitol Mall, Suite 3000. Sacramento, California 95814.

On March 28, 2014, I served the foregoing:

#### CITY'S RESPONSE TO OPPOSITION OF T. TO CAN NGUYEN TO FIRST AMENDED PLAN

by transmitting electronically to the email addresses set forth below pursuant to Fed. R.

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10	UNITED STATES B.	ANKRUPTCY COURT
11	ll ·	CT OF CALIFORNIA
12	RECEIVED SACRAMEN	NTO DIVISION
13	In re	Case No. 2012-32118
14	CITY OF STOCKTON, CALIFORNIA,	D.C. No. OHS-15
15	Debtor.	Chapter 9
16	·	X CALPERS' RESPONSE TO FRANKLIN'S
17	-	OBJECTION TO CONFIRMATION OF THE CITY OF STOCKTON'S FIRST AMENDED PLAN OF ADJUSTMENT
18		
19		Date: May 12, 2014 Time: 9:30 a.m. Place: Robert T. Matsui U.S. Courthouse,
20		501 I Street
21		Department C, Fl. 6, Courtroom 35 Sacramento, CA 95814 Judge: Hon. Christopher M. Klein
22.		Judge: Hon. Christopher M. Klein
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24		
17    <sup>1</sup>		PROOF OF SERVICE PAGE 1
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## BANKRUPTCY JUDGE LETS STOCKTON TREAT FUND LIKE OTHER CREDITORS

By DALE KASLER Thursday,
The Sacramento Bee OCTODER 2, 2014

A bankruptcy judge handed Cal-PERS and organized labor a decision they've long feared Wednesday, declaring the city of Stockton has the right to reduce pension payments and even sever ties with the powerful pension fund.

The verbal ruling from U.S. Bank-

ruptcy Judge Christopher Klein was groundbreaking. It pierced CalPERS' aura of invincibility and made clear. for the first time, that public employee pensions in California aren't sacred. Iwo years after Stockton filed for bankruptcy protection, buried under more than \$200 million in bond debt, a judge has declared that a municipality can walk away from

lic Employees' Retirement System. Klein's ruling was prompted by a \$29 million pension payments in or-legal protest from Franklin Temple der to retain its relationship with Calrepaid just \$4 million on a \$36 mileven if it comes at the expense of the pensions.

The practical effect of Klein's ruling is unclear. It depends in large part on whether Klein will accept Stockton's financial reorganization

promises to keep making its annual PERS\_\_\_\_ X

If Stockton gets Klein's approval fion loan it made to the city during and can resolve its bankruptcy withbetter economic times. Franklin out slashing pensions, the impact of wants a better deal from Stockton Klein's ruling is blunted somewhat. Klein won't rule on the city's plan until Oct. 30.

> Because of Stocktons pledge, Cal-PERS attorney Michael Gearin downplayed the decision and said it

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doesn't force the city to cut its pension payments. doesn't establish a precedent. Those were his comments about a hypothetical city" that wants to cut ties with the California Public **Employees' Retirement Sys**tem, he said.

Nonetheless, **CalPERS** was disappointed. It creates a ruling that undercuts Cal-PERS' contention that public pensions are ironclad and municipalities must make their contributions. no matter what. About 2,000 municipal agencies their employees cover through CalPERS.

Klein compared Stockton-CalPERS relationship to a retailer using bankruptcy to opt out of a bad shopping-mall lease. The city's contract with CalPERS could be rejected," the judge said to a courtroom packed with lawyers, city officials and retirees.

Until now, public pensions in California were believed to be off-limits, even if the government provider went bankrupt. Lawmakers could scale back benefits, but only for newly hired workers, as the Legislature did last year. A bankruptcy judge did rule in Detroit last year that pensions could be reduced for existing workers and retirees, but Cal-PERS argued that ruling wasn't relevant because there are additional protections in California law.

Dave Low, chairman of a union-backed coalition called Californians for Retirement Security, said "the judge has sided with Wall Street in a decision that has the potential of devastating citizens, employees, and making bad situations worse."

Stockton retirees called the decision a slap in the face. "Employees operated in good faith," said Anthony Delgado, a retired Stockton police officer who attended the hearing. "Retirees and active employees could be left holding the bag. It goes against every fiber of my being."

On the other hand. Dan Pellissier, a pension-reform advocate, welcomed the ruling. But he sald Stockton, by sticking with CalPERS, is squandering an opportunity to reduce its pension costs and spend the savings on more police, firefighters and city services.

Franklin Templeton wants Stockton to reduce its CalPERS payments to free up more cash to repay the loan. It said the proposed repayment amounts to just 12 cents on the dollar. while other creditors are due to receive 50 cents to 100 cents on the dollar.

"That's discrimination. and it's unfair," said James Johnston, a lawyer for the San Mateo investment firm. He also said CalPERS was seeking "exalted status under California law."

City officials nave said they have no choice but to stick with CalPERS. If it doesn't pay the pension fund in full, default would occur, and the city would either have to make a onetime payment of \$1.6 billion to keep pensions whole or let CalPERS slash benefits by 60 percent. The result

would be a mass exodus of employees, the city said, creating an enormous setback just as the troubled city, saddled with poverty and a high crime rate, is starting to get back on its Last fall, Stockton voters approved increasing the sales tax to 9 percent - expected to generate \$28 million annually – in order to beef up city staffing, particularly police officers.

"The city cannot impair pensions and continue to function as a city," said Stockton lawyer Marc Levinson in remarks to the judge.

As it is, even with the economy recovering and tax revenue rising, the city is "still operating at a barely ... solvent level," Levinson said.

Coming up with an alternative to CalPERS would be prohibitively expensive and cumbersome, he said.

He noted that the city has already laid off about onefourth of its workforce and rolled back salaries. The approximately 2,400 municipal retirees have had their city-paid health insurance completely eliminated. The city's budget has been trimmed by \$90 million a vear.

"The retirees and the city's employees have already given enough," said Jason Rios, a lawyer representing retirees in the case

Noting that other creditors have signed off on the Stockton reorganization plan, he said: "As the holdout creditor, we don't think Franklin should torpedo the city's plan.'

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The average retiree gets a pension of \$24,000 a year, according to Rios.

But some employees, particularly police and firefighters, get considerably higher pensions. A "midleyel sergeant" in the police force can expect a \$68,000a-year pension after putting in 25 years, according to city testimony.

In declining to rule right away on the city's plan, Klein said "I <u>need to reflect</u> more carefully." But he also signaled that he expects the city and Franklin to make another stab at settling their differences before he

"It's still open season," the judge said.

Levinson said the city could offer Franklin a "coningent note" that would give the investment firm a 22 percent share of any tax revenue above a certain threshold.

CalPERS has fought any attempt by a city to reduce its pension obligations. When Vallejo went bankrupt in 2008 and hinted it might try to lower its annual payments, CalPERS said it could take the city to

San Bernardino, the other California city in bankruptcy, actually suspended its payments to CalPERS for several months, and some city officials suggested they would fight CalPERS in court. But earlier this sum-San ' Bernardino worked out a settlement plan with the pension fund. The details haven't yet been disclosed.

Sudgiz Klein's ruling reverberated throughout the legal world and among public employee unions