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Aguirre's suit seeks cutback in pensions

City attorney wants eight officials fined

By Jonathan Heller and Jennifer Vigil
STAFF WRITERS

After months of saying thousands of city employees are enjoying illegal pension benefits that San Diego can't afford, City Attorney Michael Aguirre has asked a judge to roll back the benefits and fine eight officials he says took part in creating them.



Michael Aguirre

Aguirre also said his office would move forward with a plan today to attempt to put the San Diego City Employees Retirement System in the hands of a receiver — a court-appointed trustee.

Aguirre said yesterday he was not required to seek City Council approval to file his lawsuit in Superior Court. If successful, it would reduce the pensions of 800 to 900 retired employees and about 11,000 current employees.

Mayor Dick Murphy would not schedule a special council meeting this week to discuss asking the court to appoint a receiver, Aguirre said. Murphy did not return telephone calls for comment.

Aguirre said he would ask council members to ratify the legal action on the receiver when they return from recess July 18.

The lawsuit filed Wednesday, Aguirre said, "is an effort to set

SEE **Suit, A15**

Appointing receiver for pension fund drastic step

Action would be vote of no confidence in city

By Jennifer Vigil
STAFF WRITER

Appointing a receiver is the technical term for a simple concept — a court naming an independent party to intervene in a dispute, often involving management of a business.

Doing so for a public agency is not as common, according to professionals who work in the highly specialized field, though a federal judge has threatened to call for the takeover of California's prison health care system as soon as today.

The San Diego City Attorney's Office also appears poised to take action late today to ask a judge to name a receiver to oversee the city's \$3.6 billion employee pension system. The move would end weeks of speculation that the city could seek an overseer for the fund.

But just what does a receiver do? And what effect would one have on San Diego's two-year battle to unravel the complex issues connected to the retirement fund?

"It's kind of like the court saying, 'Hey, I want to know what's going on here. We've got a problem,'" said Daniel Close, a forensic accountant who heads the San Diego chapter of the California Receivers

SEE **Receiver, A15**

37 killed, 700 wounded in blasts on trains, bus

Assault has hallmarks of al-Qaeda, officials say

U.S. raises alert level for mass transit systems

TERROR IN LONDON



By Robert Barr
ASSOCIATED PRESS

LONDON — Terror struck in the heart of London yesterday as coordinated explosions ripped through three subway trains and blasted the roof off a crowded red double-decker bus. At least 37 people were killed and more than 700 wounded in the deadliest attacks on the city since the Nazi blitz in World War II.

British Prime Minister Tony Blair blamed Islamic extremists and said the bombings were designed to coincide with the opening in Scotland of the Group of Eight summit of the world's most powerful leaders. British Foreign Secretary Jack Straw said the bombings — which came the day after London won the bid to host the 2012 Summer Olympics — have the "hallmarks of an al-Qaeda-related attack."

Police said no warning was issued and that the blasts at three subway trains went off within 26 minutes, starting at 8:51 a.m. in an Underground train just outside the

SEE **Attacks, A11**



A construction worker prayed outside King's Cross station in London last night after a train was bombed near the station.
Carl de Souza / AFP / Getty Images

U.S. quickly switches to code orange

Buses, trains seen as primary targets

By Lara Jakes Jordan and Katherine Shrader
ASSOCIATED PRESS

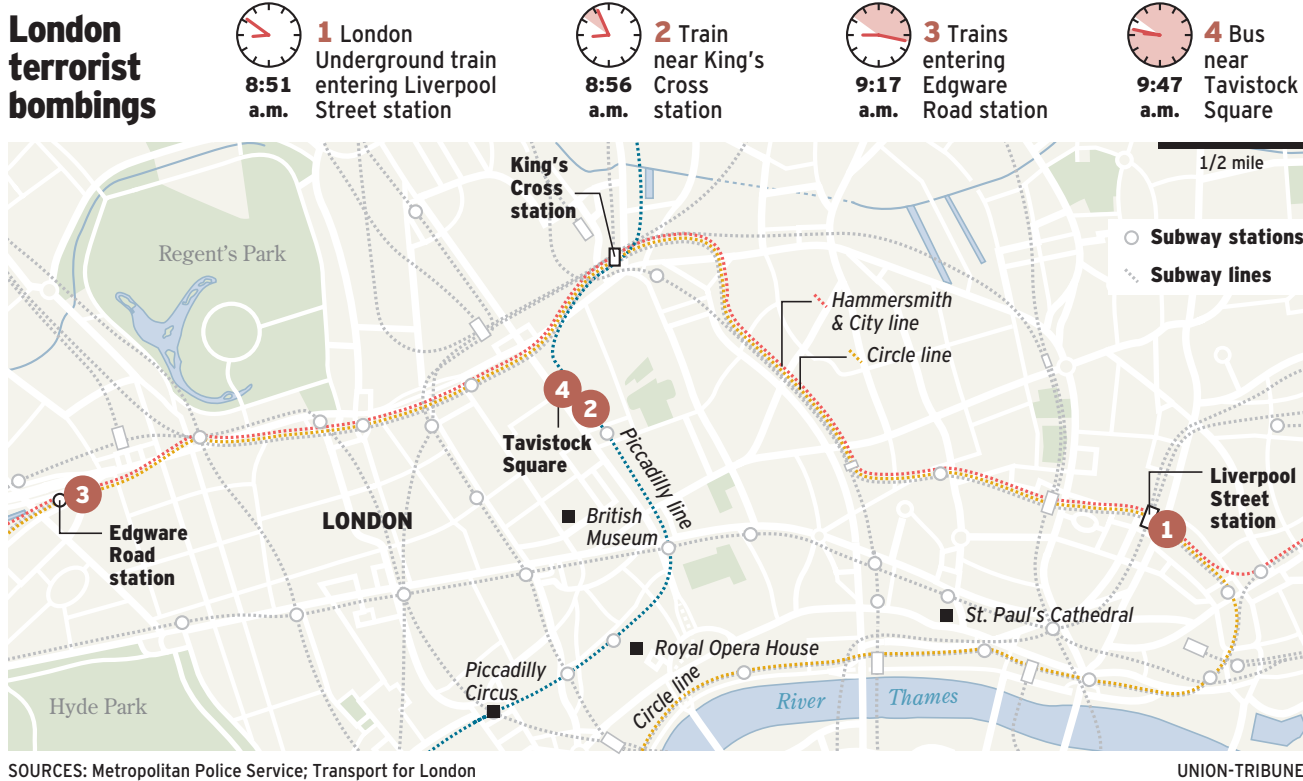
WASHINGTON — The United States put its subways, buses and commuter trains on high alert after the rush-hour London bombings, moving to code orange for mass transit amid concern about a possible "copycat attack" by terrorists.

Cities tightened security for rail and bus lines that carry tens of millions of Americans daily. Stepped-up safeguards included bomb-sniffing dogs, increased video surveillance and more police at train and bus stations.

Homeland Security Secretary Michael Chertoff said yesterday that authorities had no evidence of a specific, credible threat against the United States.

SEE **Orange, A10**

London Underground passengers were evacuated after a bomb ripped open a train pulling into the Edgware Road station yesterday. Authorities shut down all London Underground subway trains. Gareth Cattermole / Getty Images



Padres win

Ramon Hernandez and Xavier Nady (right) help the Padres end a three-game losing streak with a 7-5 victory over the Astros. **Sports, D1**

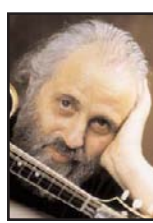


Budget OK'd

The Legislature approves a \$117.5 billion state budget that contains more spending for transit projects in San Diego County. **A3, B1**

Retail revival

Shoppers go on a spending spree in June, a relief for retailers who had only modest increases in the past three months. **Business, C1**



A wide range

David Grisman, who tonight brings his quintet to the Belly Up, has played all genres of music with an array of artists. **Currents Weekend, E1**

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