



Agenda Item 8c

September 18, 2013

ITEM NAME: Proposed Decision – In the Matter of the Appeal Regarding Retirement Benefit Formula and Overpayment by JOSEFINA LIMOS, Respondent, and CITY OF OAKLAND, Respondent.

PROGRAM: Retirement Account Services

ITEM TYPE: Action

PARTIES' POSITIONS

Staff argues that the Board of Administration should adopt the Proposed Decision.

Respondent argues that the Board of Administration should adopt the Proposed Decision.

STRATEGIC PLAN

This item is not a specific product of either the Strategic or Annual Plans. The determination of administrative appeals is a power reserved to the Board of Administration.

PROCEDURAL SUMMARY

The issues in this case involve a dispute over the correct formula to apply in calculating Respondent Limos' retirement pension, and whether or not she is legally required to repay CalPERS the overpayment that was made before it discovered and corrected the erroneous formula. Respondent filed a timely appeal challenging CalPERS determination to correct her benefit formula and collect the overpayment that had resulted. The matter was heard by the Office of Administrative Hearings on June 20, 2013. A Proposed Decision was issued on July 19, 2013, upholding CalPERS determination to decrease Respondent's retirement benefit by applying the correct benefit formula prospectively, but granting Respondent's appeal that she not be required to pay back the overpayment of \$33,052.76

ALTERNATIVES

- A. For use if the Board decides to adopt the Proposed Decision as its own Decision:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the

Proposed Decision dated July 19, 2013, concerning the appeal of Josefina Limos; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

- B. For use if the Board decides not to adopt the Proposed Decision, and to decide the case upon the record:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated July 19, 2013, concerning the appeal of Josefina Limos, hereby rejects the Proposed Decision and determines to decide the matter itself, based upon the record produced before the Administrative Law Judge and such additional evidence and arguments that are presented by the parties and accepted by the Board; RESOLVED FURTHER that the Board's Decision shall be made after notice is given to all parties.

- C. For use if the Board decides to remand the matter back to the Office of Administrative Hearings for the taking of further evidence:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated July 19, 2013, concerning the appeal of Josefina Limos, hereby rejects the Proposed Decision and refers the matter back to the Administrative Law Judge for the taking of additional evidence as specified by the Board at its meeting.

- D. Precedential Nature of Decision (two alternatives; either may be used):

1. For use if the Board wants further argument on the issue of whether to designate its Decision as precedential:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System requests the parties in the matter concerning the appeal of Josefina Limos, as well as interested parties, to submit written argument regarding whether the Board's Decision in this matter should be designated as precedential, and that the Board will consider the issue whether to designate its Decision as precedential at a time to be determined.

2. For use if the Board decides to designate its Decision as precedential, without further argument from the parties.

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, hereby designates as precedential its Decision concerning the appeal of Josefina Limos.

BUDGET AND FISCAL IMPACTS: Not applicable

ATTACHMENTS

- Attachment A: Proposed Decision
- Attachment B: Staff's Argument
- Attachment C: Respondents' Arguments

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support