December 19, 2018

**Item Name:** Proposed Decision – In the Matter of the Membership Reclassification of KANDACE PEASLEE, STEPHANIE PORTER-HUHN, GREGORY ABILLE, INES V. GONZALEZ, and BORIS MEDINA, Respondents, and CITY OF OXNARD, Respondent.

**Program:** Employer Account Management Division

**Item Type:** Action

**Parties’ Positions**

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

Respondent Kandace Peaslee’s (Respondent Peaslee) position is included in Attachment C, if any.

Respondent Stephanie Porter-Huhn’s (Respondent Porter-Huhn) position is included in Attachment C, if any.

Respondent Gregory Abille’s (Respondent Abille) position is included in Attachment C, if any.

Respondent Ines V. Gonzalez’ (Respondent Gonzalez) position is included in Attachment C, if any.

Respondent Boris Medina’s (Respondent Medina) position is included in Attachment C, if any.

Respondent City of Oxnard’s (Respondent City) position is included in Attachment C, if any.

**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**

Respondents Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina (Respondents) were classified as Local Safety employees of Respondent City of Oxnard (Respondent City), which features retirement benefits superior to the alternate Local Miscellaneous classification. In 2012, CalPERS audited Respondent City and determined the positions of Respondents were misclassified and requested Respondent City cease reporting Respondents in the Local Safety classification; reverse all contributions reported under the Local Safety classification for their positions and reclassify Respondents’ service in the Local Miscellaneous classification retroactively to the start date of their employment. Respondents, through their counsel, submitted appeals regarding CalPERS’ determination, which were
consolidated. The matter was heard by the Office of Administrative Hearings on June 25, and June 26, 2018. A Proposed Decision was issued on November 13, 2018, granting the consolidated appeals.

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 November 13, 2018, concerning the appeal of Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina; 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 November 13, 2018, concerning the appeal of Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina, 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 November 13, 2018, concerning the appeal of Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina, 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 Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina, 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 Kandace Peaslee, Stephanie Porter-Huhn, Gregory Abille, Ines V. Gonzalez, and Boris Medina.

Budget and Fiscal Impacts: Not applicable

Attachments
Attachment A: Proposed Decision
Attachment B: Staff’s Argument
Attachment C: Respondent(s) Argument(s)

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support