



Board of Administration

Agenda Item 8a8

November 19, 2025

Item Name: Proposed Decision – In the Matter of the Appeal of Accepting the Application for Industrial Disability Retirement of JOSHUA A. YOUNG, Respondent, and CITY OF SAN BUENAVENTURA, Respondent.

Program: Disability and Survivor Benefits Division

Item Type: Action

Parties' Positions

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

Respondent Joshua A. Young's (Respondent) position is included in Attachment C, if any.

Respondent City of San Buenaventura'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

Respondent submitted an application for industrial disability retirement (IDR) based on orthopedic conditions. CalPERS initially accepted Respondent's application and, since Respondent was a local safety member, requested Respondent City to determine whether Respondent was substantially incapacitated. Respondent City passed resolutions certifying that Respondent was substantially incapacitated. Consequently, CalPERS approved the application and began providing Respondent with IDR benefits.

Subsequently, CalPERS received a complaint regarding Respondent. Following an investigation into the matter, CalPERS discovered documents demonstrating that Respondent entered into a Memorandum of Understanding and a Settlement Agreement, resigning from employment and relinquishing his reinstatement rights in return for resolving all claims against Respondent City and receiving IDR benefits. For this reason, CalPERS determined that Respondent was ineligible for IDR pursuant to the legal precedent set forth in *Haywood v. American River Fire Protection District*. CalPERS determined that it was a mistake to approve Respondent's application and pay him IDR benefits. CalPERS sought to correct the mistake by canceling Respondent's IDR application and recovering the amount of benefits Respondent had improperly received.

Respondent appealed the determination, and the matter was heard by the Office of Administrative Hearings on June 16 and 17, 2025. The record was held open for the parties to submit opening and reply briefs on August 8 and September 5, 2025, respectively. A Proposed Decision was issued on October 2, 2025, affirming CalPERS' determination that Respondent was ineligible to receive IDR benefits, CalPERS may recoup the entirety of overpayments to Respondent, and denying his appeal.

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 October 2, 2025, concerning the appeal of Joshua A. Young; 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 October 2, 2025, concerning the appeal of Joshua A. Young, 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 October 2, 2025, concerning the appeal of Joshua A. Young, 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 Joshua A. Young, 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 Joshua A. Young.

Budget and Fiscal Impacts: Not applicable

Attachments

Attachment A: Proposed Decision

Attachment B: Staff's Argument

Attachment C: Respondent(s) Argument(s)

Kimberly A. Malm
Deputy Executive Officer
Customer Services and Support