



## Board of Administration

# Agenda Item 8a2

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**April 16, 2024**

**Item Name:** Proposed Decision – In the Matter of the Appeal Regarding Final Compensation Calculation of KELLEY M. WILLIAMS, Respondent, and COUNTY OF INYO, Respondent.

**Program:** Employer Account Management Division

**Item Type:** Action

### **Parties' Positions**

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

Respondent Kelley M. Williams' (Respondent Williams) position is included in Attachment C, if any.

Respondent County of Inyo's (Respondent County) 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**

After Respondent Williams retired from Respondent County, CalPERS determined that her final compensation was overstated, because her payrate was not based on publicly available pay schedules, did not apply to an entire class of employees, and was an attempt to improperly convert special compensation into payrate. CalPERS' determination reduced Respondent's final compensation, which lowered her retirement benefit. Respondent appealed CalPERS' determination, and the matter began at the Office of Administrative Hearings on July 25, 2023. At the lunch break, the County informed the parties it may have discovered additional documents that could affect CalPERS' determination. The hearing was paused so the County could provide additional documents to CalPERS for review. CalPERS did not change its determination and the hearing was concluded on January 30, 2024. A Proposed Decision was issued on February 27, 2024, affirming CalPERS' determination and denying the 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 February 27, 2024, concerning the appeal of Kelley M. Williams; 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 February 27, 2024, concerning the appeal of Kelley M. Williams, 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 February 27, 2024, concerning the appeal of Kelley M. Williams, 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 Kelley M. Williams, 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 Kelley M. Williams.

**Budget and Fiscal Impacts:** Not applicable

**Attachments**

Attachment A: Proposed Decision

Attachment B: Staff's Argument

Attachment C: Respondent(s) Argument(s)

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