



Board of Administration Offsite

Action Item – Proposed Decisions of Administrative Law Judges Item d

July 19, 2023

Item Name: Proposed Decision – In the Matter of the Cancellation of the Application for Industrial Disability Retirement of BRANDON M. NARANJO, Respondent, and CITY OF COSTA MESA, Respondent.

Program: Disability and Survivor Benefits Division

Item Type: Action

Parties' Positions

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

Respondent Brandon M. Naranjo's (Respondent) position is included in Attachment C, if any.

Respondent City of Costa Mesa'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 applied for industrial disability retirement based on orthopedic conditions. CalPERS determined that Respondent Naranjo was ineligible for industrial disability retirement because he had been terminated from his employment. Pursuant to the legal precedents set forth in *Haywood v. American River Fire Protection District* and its progeny, CalPERS canceled his application. Respondent appealed this determination and the matter was heard by the Office of Administrative Hearings on May 17, 2023. Due to Respondent's failure to appear, the case proceeded as a default under Government Code section 11520 as to Respondent only. A Proposed Decision was issued on June 16, 2023, affirming CalPERS' determination and denying the appeal.

Alternatives

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

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, pursuant to Government Code section 11517, subdivision (c)(2)(C) which authorizes the Board to "make technical or other minor changes in the proposed decision," hereby modifies the Proposed Decision, by adding "District" between Protection and (1998) on page 12, paragraph 27; deleting "System (PERS)" after the word Retirement and before the word Law on page 12, paragraph 1 under Legal Conclusions; adding "District" between Protection and (Haywood) on page 13, paragraph 2; adding "Industrial" between "for" and "Disability" and "Robert" between "of" and "Vandergoot" on page 16, paragraph 11; and changing "April 1, 2020" to "April 1, 2022" on page 17, paragraph 15 of the Proposed Decision, and hereby adopts as its own Decision the Proposed Decision dated June 16, 2023, as modified, concerning the appeal of Brandon M. Naranjo; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

- B. 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 June 16, 2023, concerning the appeal of Brandon M. Naranjo; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

- C. 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 June 16, 2023, concerning the appeal of Brandon M. Naranjo, 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.

- D. 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 June 16, 2023, concerning the appeal of Brandon M. Naranjo, 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.

E. 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 Brandon M. Naranjo, 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 Brandon M. Naranjo.

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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