### **ATTACHMENT C**

**RESPONDENT'S ARGUMENT** 

### **FAX COVER SHEET**

TO	Board Services Unit Coordinator
COMPANY	CalPERS
FAXNUMBER	19167953972
FROM	Rylaarsdam,Dan
DATE	2022-10-27 18:08:47 GMT
RE	Rylaarsdam Family Trust - Written Argument In Support of Oct. 6, 2022

Proposed Decision re OAH No. 2022020329/Agency Case No. 2021-0474 - In the Matter of the Appeal of Lifetime Monthly Benefit Payable Upon the Death of William F. Rylaarsdam

### **COVER MESSAGE**

Board Services Unit Coordinator,

Attached is Respondent Rylaarsdam Family Trust's Written Argument In Support Of The October 6, 2022 Proposed Decision in the above-referenced matter.

This matter is set to be heard at the November 16, 2022, regular meeting of the Board of Administration of the California Public Employees' Retirement System.

Please provide us with the Board's agenda for the November 16, 2022 hearing when it is available and other written arguments submitted in this matter.

Please let me know if you need any further information.

Thank you.

Daniel H. Rylaarsdam | BLANKROME 2029 Century Park East | 6th Floor | Los Angeles, CA 90067 O: 424.239.3411 | F: 424.329.8457 | C: 818.625.3431 dan.rylaarsdam@blankrome.com

\*\*\*\*\*\*\*\*\*\*

This message and any attachments may contain confidential or privileged information and are only for the use of the intended recipient of this message. If you are not the intended recipient, please notify the Blank Rome LLP or Blank Rome Government

From: Rylaarsdam, Dan

Relations LLC sender by return email, and delete or destroy this and all copies of this message and all attachments. Any unauthorized disclosure, use, distribution, or reproduction of this message or any attachments is prohibited and may be unlawful.

\*

\*\*\*\*\*\*\*\*\*\*\*

Page: 02 of 11

From: Rylaarsdam, Dan

October 27, 2022

**Board Services Unit Coordinator** California Public Employees' Retirement System Post Office Box 942701 Sacramento, CA 94229-2701 Email: Board@CalPERS.ca.gov

Facsimile: 916-795-3972

Re: In the Matter of the Appeal of Lifetime Monthly Benefit Payable Upon the Death of William F. Rylaarsdam by Barbara Foster, Respondent, and Rylaarsdam Family Trust, Respondent. Hearing Dates: June 27, 2022, June 28, 2022, and July 1, 2022.

OAH No. 2022020329

CalPERS Case No. 2021-0474

#### Dear Board Services Unit Coordinator:

Enclosed is Respondent The Rylaarsdam Family Trust's Written Argument In Favor Of The October 6, 2022, Proposed Decision of the Administrative Law Judge in connection with the above-entitled matter and the November 16, 2022, regular meeting of the Board of Administration of the California Public Employees' Retirement System (the "Board"). For the reasons set forth in its Written Argument, Respondent Rylaarsdam Family Trust respectfully requests that the Board adopt the October 6, 2022, Proposed Decision of the Administrative Law Judge.

Thank you. If you need any further information, please let me know.

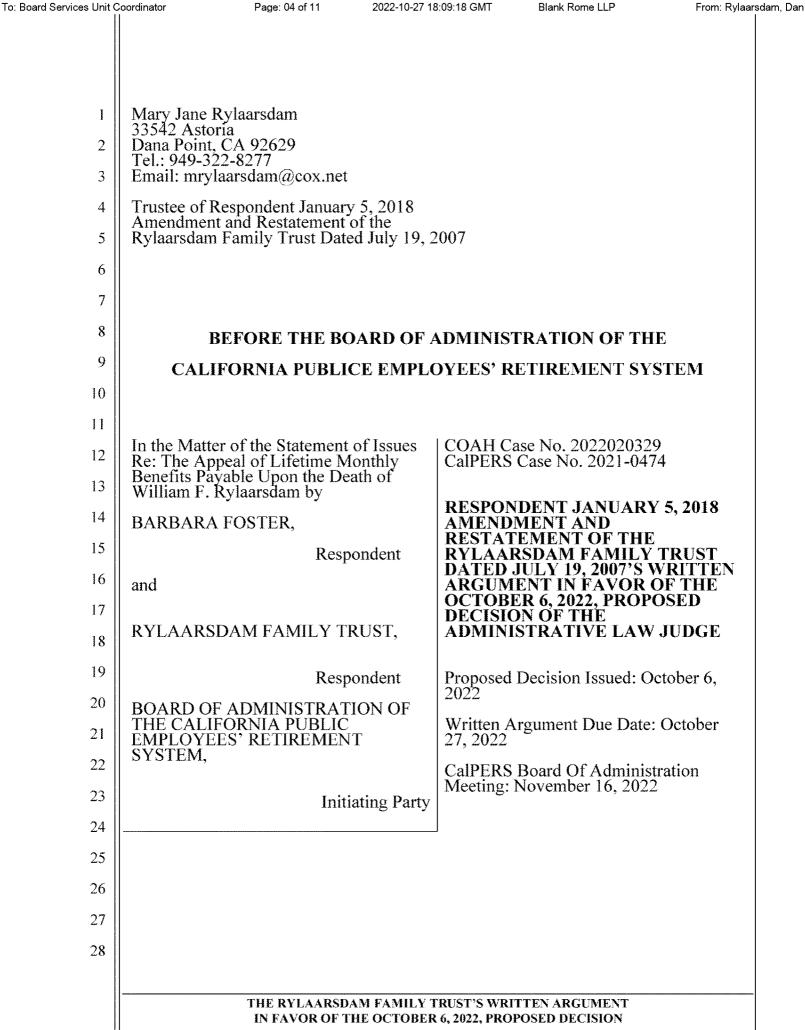
Sincerely,

Enclosure

CC.

Jennifer Vischer Dan Rylaarsdam

> 10/27/2022 2:18PM (GMT-04:00)



19

20

21

22

23

24

25

26

27

28

To: Board Services Unit Coordinator

Respondent January 5, 2018 Amendment and Restatement of The Rylaarsdam Family Trust Dated July 19, 2007 (the "RFT") submits the following written argument in favor of the October 6, 2022 Proposed Decision of the Administrative Law Judge in the above-referenced matter. The appeal of Respondent Barbara Foster was correctly denied by the Administrative Law Judge with respect to the Judges Retirement System ("JRS") determination that Barbara Foster is (1) not entitled to Surviving Spouse monthly benefits after the death of Justice William F. Rylaarsdam (Ret.); (2) not entitled to any lifetime monthly benefits after the death of Justice Rylaarsdam; and (3) not a valid beneficiary for Justice Rylaarsdam's lump sum death benefits.

### INTRODUCTION.

After three days of testimony, submission of evidence and documents, and written closing statements by the parties, the Honorable Eric Sawyer, Administrative Law Judge ("Judge Sawyer"), issued his October 6, 2022, Proposed Decision denying Ms. Foster's appeal in all respects. Based on the facts and the law, this is the correct result. The RFT agrees with the Proposed Decision and respectfully requests that the Board of Administration of the California Public Employees' Retirement System (the "Board") adopt it in full.

The Proposed Decision correctly lays out the facts, evidence, and testimony, and the law and makes clear that Ms. Foster's attempt to claim benefits from Justice Rylaarsdam's JRS pension is wholly without merit. Ms. Foster's claims are based on concocted evidence, twisted facts and a revisionist history of her and Justice Rylaarsdam's brief relationship. Contrary to her testimony and the feigned and calculated persona she presented at the hearing, Justice Rylaarsdam's surviving children, Mary Jane Rylaarsdam, Jennifer Vischer, and Dan Rylaarsdam (the "Rylaarsdam Children"), know Ms. Foster to be a savvy, intelligent business owner who can understand business and legal documents. She is not a victim here and she

To: Board Services Unit Coordinator

2

4

5 6

8

9

7

10

12

11

13 14

15

16

17

18

19

2021

22

23

24

25

26

27

28

is not entitled to any part of Justice Rylaarsdam's pension. For the reasons below, we request that the Board adopt the October 6, 2022, Proposed Decision in full.

## II. ARGUMENT.

# A. Judge Sawyer Correctly Determined That Ms. Foster's Claims and Testimony Lacked Credibility.

Pertinent to Judge Sawyer's denial of Ms. Foster's appeal is his finding that Ms. Foster lacked credibility and gave inconsistent and vague testimony. Key to his decision is the rapidly declining health of Justice William F. Rylaarsdam in the weeks and days before his death and his absolute incapacity on the day of his death (August Proposed Decision paras. 40-48, 54. On August 3, 2020, Justice 3, 2020). Rylaarsdam's "death rattle" was telling. The end was very near for him when the Rylaarsdam Children left his home, and he passed just a few hours later. During his last hours, Ms. Foster was away from the house running errands including securing a copy of her marriage certificate and mailing the August 3, 2020, letter to JRS/CalPERS (the "August 3, 2020, Letter").<sup>2</sup> When the Rylaarsdam Children left him that day he was - as he had been the entire time that day - incapacitated and unresponsive. On the day of his death, Justice Rylaarsdam lacked any mental or physical capacity to sign the August 3, 2020, Letter or know or understand its meaning. There simply was no credible evidence to suggest that Justice Rylaarsdam signed the August 3, 2020, Letter or that he could have understood its contents or purpose.

B. On August 3, 2020, Justice Rylaarsdam Was Unresponsive and Incapacitated And Could Not Have Signed The August 3, 2020, Letter Or Understand Its Contents Or Meaning.

<sup>&</sup>lt;sup>1</sup> The "death rattle" is when "[t[he breathing patterns [of a person approaching death] change and can create a rattling sound. This sound is known as the death rattle, and it is a part of the dying process. . . . The death rattle signals that death is very near." https://www.medicalnewstoday.com/articles/321487.

<sup>&</sup>lt;sup>2</sup> It is worth noting that Ms. Foster never claimed or testified that the August 3, 2020, Letter was executed or submitted to JRS/CalPERS in any way under her Power of Attorney, which JRS/CalPERS had not yet approved by August 3, 2020.

23

24

25

26

27

28

To: Board Services Unit Coordinator

While Judge Sawyer found Ms. Foster's version of the facts to be inconsistent and not credible, the testimony of Justice Rylaarsdam's three surviving children, Mary Jane Rylaarsdam, Jennifer Vischer, and Dan Rylaarsdam (the "Rylaarsdam Children"), was clear and unwavering. The Rylaarsdam Children visited him on August 3, 2020 and left him just a few hours before he passed. They testified that on August 3, 2020, Justice Rylaarsdam was incapacitated, unresponsive, and unable to read, write or sign anything, communicate, recognize people, or understand what was being said to him. Proposed Decision, para. 54. Based on the Rylaarsdam Children's visit with Justice Rylaarsdam just an hour or so before Ms. Foster said he signed the August 3, 2020, Letter, it would have been an impossible feat and there is no way that he could have read or understood what he was allegedly signing. Judge Sawyer correctly found as not credible Ms. Foster's testimony that she had "intimate conversations" with Justice Rylaarsdam at some point that day and that he was able to sign the August 3, 2020, Letter. Proposed Decision, paras. 70-73.

Moreover, it is significant that during the three-day hearing, Ms. Foster offered absolutely no evidence to suggest that Justice Rylaarsdam intended to make her a beneficiary of his CalPERS pension or that he understood the contents or purpose of the August 3, 2020, Letter that she admitted drafting. She did not testify that she explained to Justice Rylaarsdam what the letter said or its purpose. Indeed, she provided no information about what she allegedly told Justice Rylaarsdam about the conversation she had with CalPERS earlier that day; she did not claim that she read to him the contents of the August 3, 2020, Letter or explained its contents, its meaning or purpose to him. Knowing that Justice Rylaarsdam could not read anything because of his recent cataract surgeries (an undisputed fact), she only testified that she asked him "Would you mind signing this?" (meaning the August 3, 2020, Letter that she had just drafted). Transcript of June 28, 2022, Proceedings, p. 43, lines 3-6.

Judge Sawyer correctly held that "Respondent Foster failed to meet her burden of establishing the signature on [the August 3, 2020, Letter] was Justice

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Rylaarsdam's, or it evidenced his decision to make her a beneficiary on his account."<sup>3</sup> Proposed Decisions, p. 4.

## C. Justice Sawyer Correctly Determined That The August 3, 2020, Letter Was Invalid.

The documents support Judge Sawyer's correct determination that the August 3, 2020, Letter is invalid as well. The documents show that Justice Rylaarsdam intentionally disinherited Ms. Foster from his will (Proposed Decision, para. 37), that the Foster-Rylaarsdam Family Trust only concerned the Trabuco Canyon house Justice Rylaarsdam and Ms. Foster had moved into the year before (see Proposed Decision, paras. 35-36), and that Justice Rylaarsdam's intention with respect to his separate property (which includes his CalPERS pension) passed to his three surviving children through the RFT (Proposed Decision, para. 37).

Further, the Rylaarsdam Children testified, and submitted sworn declarations stating, that the signature on the August 3, 2020, Letter is not Justice Rylaarsdam's signature and compared the signature on the August 3, 2020, Letter to Justice Rylaarsdam's signatures on documents submitted in this matter by JRS/CalPERS and Ms. Foster (even documents signed as recently as July 24, 2020). The alleged August 3, 2020, signature does not come close to matching or showing sufficient similarity to his known real signature. Judge Sawyer was correct in holding that Ms. Foster did **not** meet her burden to show that JRS was wrong in its determination that the August 3, 2020, Letter is <u>not</u> the signature of Justice Rylaarsdam and is <u>not</u> a valid request to (1) have his monthly pension recalculated to give Ms. Foster lifetime monthly benefits after his passing; or (2) add Ms. Foster as a beneficiary.

# D. Justice Rylaarsdam's CalPERS/JRS Pension Is His Separate Property That Was Funded Exclusively During His Marriage To His First Wife of 59 Years.

<sup>&</sup>lt;sup>3</sup> Judge Sawyer also found it revealing that Ms. Foster did not make any attempt to offer any corroborating evidence regarding Justice Rylaarsdam's physical and mental state on August 3, 2020, such as the hospice nurse or caretake who were there that day, or Justice Rylaarsdam's treating physician. See Proposed Decision, para. 70.

17

18

19

20

21

22

23

24

25

26

27

28

To: Board Services Unit Coordinator

Ms. Foster's goal here is to obtain a lifetime monthly pension from JRS/CalPERS based on her marriage to Justice Rylaarsdam of only eighteen (18) days. She seeks to gain a windfall based on funds that Justice Rylaarsdam contributed to JRS/CalPERS and benefits he earned as a Judge and then Justice during his fiftynine (59) year marriage to Janice E. Rylaarsdam, his first wife (and the mother of the Rylaarsdam Children) who died on June 5, 2017. Proposed Decision, para. 20 ("Justice Rylaarsdam's pension benefit was not the kind of asset respondent Foster could have claimed as community property . . . because the asset preexisted whatever relationship she had with Justice Rylaarsdam."). None of the funds Justice Rylaarsdam contributed to JRS/CalPERS was earned or contributed during the time that Justice Rylaarsdam knew Ms. Foster. The potential monthly benefits for Ms. Foster, an option for which Justice Rylaarsdam never indicated to CalPERS that he wanted to make and <u>never</u> made, could be in the millions of dollars over Ms. Foster's lifetime. Judge Sawyer correctly determined that Ms. Foster is not entitled to a monthly optional allowance from Justice Rylaarsdam's pensions and is not entitled to the pro-rata benefit or the unused contributions. Proposed Decision, paras. 39-50.

## E. Ms. Foster Was Not Justice Rylaarsdam's Domestic Partner or Putative Domestic Partner.

No one disputes that Ms. Foster married Justice Rylaarsdam on July 16, 2020 - a mere eighteen (18) days before he died. But Ms. Foster makes the incredible claim that she was somehow Justice Rylaarsdam's "domestic partner" such that she had a legal right to Justice Rylaarsdam's pension. No evidence was presented by Ms. Foster that Justice Rylaarsdam and she ever registered as domestic partners under California Family Code section 297. Proposed Decision, para. 15 ("[Ms. Foster] concedes she was not in a registered domestic partnership with Justice Rylaarsdam[.]"). However, Ms. Foster claims that she was Justice Rylaarsdam's putative domestic partner. But interestingly, Ms. Foster never actually testified that she believed she was Justice Rylaarsdam's domestic partner (i.e., a relationship

To: Board Services Unit Coordinator

4

6

7

5

8 9

10 11

12

14

13

15

16

17

18 19

20

21

22

23

24

25

26

27 28

equivalent to a spousal relationship). There simply is no evidence, credible or otherwise, to support Ms. Foster's claim.

The Rylaarsdam Children stated in their sworn declarations that Ms. Foster and their father were not in a domestic partnership. And, once again, the documents belie Ms. Foster's concocted claims. Just six (6) months before Ms. Foster and Justice Rylaarsdam were engaged, Justice Rylaarsdam completed and signed the JRS form called a "Mallano application," which was received by CalPERS/JRS on November 5, 2019. On that Mallano application, Justice Rylaarsdam expressly indicated that he was <u>not</u> legally married and was <u>not</u> in a domestic partnership. Proposed Decision, para. 32. Thus, there is no credible evidence that Ms. Foster believed she was in a putative domestic partnership. Rather the documentary evidence – signed by Justice Rylaarsdam – demonstrates the contrary.

In any event, the case law cited in Judge Sawyer's Proposed Order fully supports the determination that Ms. Foster is not entitled to any benefits based on an equitable putative domestic partner doctrine.

### III. CONCLUSION.

Judge Sawyer considered the evidence and the credibility of the witnesses, Ms. Foster, and the Rylaarsdam Children. The facts and law are against Ms. Foster and support fully Judge Sawyer's Proposed Decision, and he rightfully determined that the "August 3, 2020 letter is invalid." Proposed Decision, p. 4, para. 48. The Board should see Ms. Foster's claim for what it is -a desperate attempt to gain a financial windfall to which she is not entitled. The pro-rata benefit and the unused contributions should be paid directly to the RFT pursuant to Justice Rylaarsdam's wishes as expressed in his will and the RFT. Proposed Decision, paras. 49, 50. The RFT respectfully request that the Board adopt Judge Sawyer's October 6, 2022, Proposed Decision as its final decision on this matter.

DATED: October 27, 2022 Mary Jane Rylaarsdam Trustee of the Respondent January 5, 2018 Amendment and Restatement of the Rylaarsdam Family Trust Dated July 19, 2007 THE RYLAARSDAM FAMILY TRUST'S WRITTEN ARGUMENT IN FAVOR OF THE OCTORER 6, 2022, PROPOSED DECISION