

MINUTES  
OF THE MEETING OF  
THE EXECUTIVE COMMITTEE  
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

November 10, 2021

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Wednesday, November 14, 2021, at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway and by videoconference as allowed under Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)).

Committee Members Present:

Marvin Becker, Chairperson  
David Morris, Vice-Chairperson  
Timothy Blair, Executive Secretary

Others Present:

James Stivers, General Counsel  
Eric Glaub, Manager, Claims Division  
Karen Brown, Supervisor, Disability Section  
Jessica Blood, Recording Secretary  
Justin Onken, Attorney, Sorling Northrup  
Yeashea Figgures-Lawton, Claimant (via teleconference)

Minutes of the Previous Meeting

The minutes of the Executive Committee's meeting on October 14, 2021, were presented by Chairperson Becker for approval. Copies of the minutes were previously e-mailed to Committee members for review. Executive Secretary Blair moved to approve the minutes as submitted. The motion was seconded by Chairperson Becker, and by unanimous vote, the minutes were approved by the Committee members present.

Routine Claims Report

The Routine Claims Report for October 2021 was presented. Following review and discussion, the Routine Claims Report for October 2021, as prepared by staff, was received by the Committee.

Old Business

Raymond Bouton – Appeal of Adjustment to Monthly Pension Amount – Deferred

Mr. Raymond Bouton retired June 1, 2015. His pension required review because additional contributions were posted from back wages paid out by his former agency.

During the review, it was determined that Mr. Bouton's final average compensation (FAC) had been calculated incorrectly as a consequence of his employing agency's inclusion of non-pensionable lump-sum payments for holidays in its initial reporting of his compensation.

However, lump-sum salary payments for holidays are not pensionable under Article 14 of the Illinois Pension Code, so the agency should not have withheld retirement contributions on those payments to Mr. Bouton. *See* 40 ILCS 5/14-103.10. Consequently, the System must refund the excess contributions to Mr. Bouton and recalculate and adjust his monthly pension benefit in accordance with Section 14-148.1 of the Illinois Pension Code (40 ILCS 5/14-148.1).

When the System performed that recalculation, it resulted in a lower final average compensation than the System had used to calculate Mr. Bouton's pension at retirement. Consequently, the System determined that Mr. Bouton's monthly pension benefit had been overpaid. However, since the mistake was undiscovered for more than 3 years and was not caused by incorrect information he supplied, the overpayment was not required to be repaid by Mr. Bouton. Instead, his monthly pension was adjusted to the correct level as required under Section 14-148.1 of the Illinois Pension Code.

Mr. Bouton is appealing the System's adjustment of his monthly retirement annuity in response to its discovery that non-pensionable earnings were included in his FAC calculation.

Mr. Eric Glaub, Claims Division Manager, informed the Committee at its July meeting that Mr. Bouton had asked to defer his case until he is able to attend the hearing in person. Mr. Bouton did not attend the August meeting, and his case was again deferred.

Mr. Glaub reminded the Committee that Mr. Bouton had requested a formal hearing that would be scheduled as soon as logistically possible.

#### Mark Ippolito – Appeal of SSA Award Overpayment – Deferred

Mark Ippolito has been receiving a SERS nonoccupational disability benefit since June 29, 2017.

In June 2021, SERS was notified Mr. Ippolito was approved for a retroactive Social Security Administration (SSA) disability benefit effective December 1, 2018, for \$1,684.00 per month. The retroactive SSA disability benefit created an overpayment of SERS nonoccupational disability benefits totaling \$52,204 for the period from December 1, 2018, through June 30, 2021. The overpayment is due in accordance with Section 14-125 of the Illinois Pension Code (40 ILCS 5/14-125), which specifies that a member's nonoccupational disability benefit is to be reduced by the amount of the primary benefit the member would be eligible to receive under the federal Social Security Act.

SERS sent Mr. Ippolito a notification letter on July 1, 2021, to explain the calculation of the overpayment and amount due. The outstanding balance remains in full.

Mr. Ippolito is appealing the full overpayment amount. Following a brief discussion, the Committee decided to refer Mr. Ippolito's appeal of his full overpayment to external counsel for a recommendation.

Mr. Glaub informed the Committee that Mr. Ippolito had requested to retroactively retire effective April 2019 and repay all overpaid benefits from April 2019 to present. Executive Secretary Blair moved to approve Mr. Ippolito's request for retroactive retirement effective April 2019. Vice-Chairperson Morris seconded the motion, which passed unanimously.

### New Business

#### Yeashea Figgures-Lawton – Appeal of Nonoccupational Disability Benefit Claim Denial – Personal Hearing via Teleconference – 9:00 a.m.

Yeashea Figgures-Lawton works as a Correctional Officer II for the Illinois Department of Corrections. She last physically worked on February 3, 2021. A medical leave of absence was started on February 16, 2021. She applied for a nonoccupational disability benefit. The medical report received indicated an onset date of February 3, 2021. There was no release date for her return to work, no medical diagnosis for her pain, and no restrictions were given.

Additional medical records were requested and received. The case file was sent to a medical consultant for review. The medical consultant indicated that the medical evidence in the file supported disability, but not until June 29, 2021.

Ms. Figgures-Lawton started a maternity leave on July 12, 2021. Therefore, she was not disabled for 30 days before she received full payment from her agency for the 10 weeks of maternity leave. She did not return to work after her maternity leave and has not supplied additional medical evidence to support her inability to return to work. As a result, the nonoccupational disability claim was denied.

Ms. Figgures-Lawton is appealing the denial of her nonoccupational disability claim. She is requesting her claim be approved effective February 2021, as well as for her current time away from work.

After hearing Ms. Figgures-Lawton present her case, the Committee decided to defer a decision pending receipt of further medical documentation to support her disability from April 2021 through present.

#### Robert Bednarko – Reinstatement of Written-off Account for Refund of Contributions

Robert Bednarko's account was written off in June 2017. Mr. Bednarko is requesting a

refund of his SERS contributions. The Claims Division is requesting that the Executive Committee approve reinstatement of Mr. Bednarko's account so the requested refund may be processed.

After a brief discussion, Chairperson Becker moved to approve the reinstatement of Mr. Bednarko's account. The motion was seconded by Executive Secretary Blair and passed unanimously.

#### Marla Skinner – Appeal of Repayment Terms for Overpaid Disability Benefits

Marla Skinner was approved for a nonoccupational disability benefit effective September 22, 2020.

SERS was notified in May 2021 that Ms. Skinner exceeded the quarterly earnings limitation while receiving a SERS disability benefit. This resulted in an overpayment for the period of October 1, 2020, to March 31, 2021.

In July 2021, SERS retroactively suspended Ms. Skinner's nonoccupational disability benefit effective March 31, 2021, due to gainful employment. This resulted in an additional overpayment for the period of April 1, 2021, to June 30, 2021.

Ms. Skinner was sent notification letters on June 1, 2021, and July 12, 2021, explaining the calculation of the overpayments and the amount due. Repayment plan letters were sent on July 20, 2021, and September 15, 2021.

A payment of \$400.00 per month (not to exceed five years) is required for inactive members. Under this repayment schedule, the overpayment will be paid in 51 months (4 years, 3 months).

Ms. Skinner is requesting a repayment plan in the amount of \$200.00 per month, which would repay the overpayment in 101 months (8 years, 5 months).

After discussing the facts of the case, a motion was made by Executive Secretary Blair to deny Ms. Skinner's request. The motion was seconded by Vice-Chairperson Morris and passed unanimously.

There being no further business to be brought before the Committee, the meeting adjourned at 9:58 a.m.

The next meeting of the Executive Committee is scheduled for December 9, 2021, in the System's Springfield office.

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Marvin Becker, Chairperson

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David Morris, Vice-Chairperson

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Timothy Blair, Executive Secretary