

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

June 13, 2019

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, June 13, 2019 at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members:

Loren Iglarsh, Chairman  
David Morris, Vice-Chairperson  
Timothy Blair, Executive Secretary

Others Present:

Jeff Houch, Assistant Executive Secretary  
Kathy Yemm, Manager, Claims Division  
Karen Brown, Disability Supervisor, Claims Division  
Cory Mitchell, Acting Supervisor, Pension and Death Section  
Christine Self, System Attorney  
Raymond Smith, Claimant  
Jennifer Staley, Recording Secretary

Minutes of the Previous Meeting

The minutes of the May 9, 2019 meeting of the Executive Committee were presented by Chairman Iglarsh for approval. Copies of the minutes were previously mailed to Committee members for review. There being no additions or corrections, on motion by Executive Secretary Blair, seconded by Vice-Chairperson Morris and by unanimous vote, the minutes were approved as submitted.

Routine Claims Report

The Routine Claims Report for the month of May 2019 was presented. Following review and discussion, the Routine Claims Report for the period of May 2019, as prepared by staff, was received by the Executive Committee.

## Old Business

### Christopher Fritsche – Occ-Dis – Gainful Employment Inquiry

Christopher Fritsche worked as a Correctional officer for Menard Correctional Center. Mr. Fritsche last worked on January 24, 2018. He was on extended benefits until January 31, 2019. Mr. Fritsche began a service connected leave on February 1, 2019.

Mr. Fritsche has requested a written appeal to the Executive Committee to approve his occupational disability benefit with the understanding he is part owner of a company but does no physical labor.

After review and discussion, the Committee requested that SERS obtain his prior tax return to establish his role/involvement in the business. The case is deferred until such documentation showing his earnings is received for review.

### Janet Sampson – Appeal to Retain Estimated FAC

Janet Sampson retired January 1, 2019. When Governor Quinn froze wages in July 2011, Ms. Sampson was working for DHS. When those frozen wages were paid, they were placed in 3 different months instead of being allocated in the correct months where the money was due. In addition, Ms. Sampson was paid for comp time in a lump sum which needed to be allocated to the correct months where the money was earned. She says she was not allowed to use the comp time as time off or cash it in each pay period.

Ms. Sampson was given estimates at SERS on two different occasions using the Final Average Compensation (FAC) on the system which included the larger salaries placed in single months instead of spread over the correct months.

When Janet Sampson's pension was being calculated, SERS requested a breakdown of comp time from the agency and used what information was known regarding the back wages to calculate the FAC. The FAC used to calculate Ms. Sampson's pension was \$8,936.49.

After receiving the Notice of Preliminary Retirement Annuity Approval the member came in to the SERS office to question the FAC. She was told that SERS would try to obtain further information from DHS about the back wages as several months were missing and the pay reported had decreased in FY13 compared to FY12. Once this information was received from DHS, it was apparent that more wages needed to be removed from the FAC period, resulting in a lower FAC of \$8,917.15.

Ms. Sampson is requesting her pension be based on the estimated FAC provided to her during her office visits.

The case was referred to the System's attorney for recommendation.

Attorney Self presented recommendation No. 2019-4 to the Committee to deny Ms. Sampson's appeal to calculate her pension based on the estimated FAC. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to

accept recommendation No. 2019-4. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Eric Ewald – Appeal to Retain Estimated FAC

Eric Ewald retired January 1, 2019. When Governor Quinn froze wages in July 2011, Mr. Ewald was working for IDOC. When those frozen wages were paid, they were placed in 3 different months instead of being allocated in the correct months where the money was due. In addition, Mr. Ewald was paid for 196.75 holidays in a lump sum, which is not pensionable. He was also paid a lump sum for comp time which needed to be allocated to the correct months where the money was earned.

Mr. Ewald was given estimates at SERS on two different occasions using the Final Average Compensation (FAC) on the system which included the larger salaries placed in single months instead of spread over the correct months, including the holiday pay which shouldn't have been included at all.

When Mr. Ewald's pension was being calculated, SERS requested a breakdown of comp time from the agency and removed the back wages paid as IDOC hasn't provided any information as to where this money is due. The pay for holidays was excluded as well. The FAC used to calculate Mr. Ewald's pension was \$8,201.32.

IDOC was contacted after the pension was paid to obtain a breakdown of back wages. Once those were placed in the correct months, holiday pay was removed and comp time was left as is, the FAC increased to \$8,303.28.

Mr. Ewald is requesting his FAC include holiday pay, comp time and back wages.

The case was referred to the System's attorney for recommendation.

Attorney Self presented recommendation No. 2019-5 to the Committee to deny Mr. Ewald's appeal to calculate his pension based on the estimated FAC and to approve his refund of contributions withheld from the lump sum salary payment for holiday pay. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to accept recommendation No. 2019-5. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Michael Breslin – Appeal of Salary Cap

Michael Breslin retired January 1, 2019. When calculating his pension, a salary cap was applied to his Final Average Compensation (FAC) because the last 12 months of earnings exceeded the FAC by more than 25 percent. The calculated FAC was \$11,788.05

Mr. Breslin is requesting a cap not be applied to his FAC. If denied, he is requesting a refund of the contributions paid after the salary limit was met.

The case was referred to the System's attorney for recommendation.

Attorney Self presented recommendation No. 2019-6 to the Committee to deny Mr. Breslin's appeal of the applied salary cap. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to accept recommendation No. 2019-6. The motion was seconded by Chairman Iglarsh and all were in favor.

### Timothy Talbert – Public Act 100-611 Upgrade

Public Act 100-611 provides that members who were participating under the alternative formula prior to being transferred from IDOC/IDJJ to CMS or DoIT as a result of certain executive orders shall receive service credit under the alternative formula for service after the transfer. Public Act 100-611 created the definition of "transferred employee" under **40 ILCS 5/14-110(c)(20)**, and such position is now eligible for coverage under the alternative formula.

(20) "Transferred employee" means an employee who was transferred to the Department of Central Management Services by Executive Order No. 2003-10 or Executive Order No. 2004-2 or transferred to the Department of Innovation and Technology by Executive Order No. 2016-1, or both, and was entitled to eligible creditable service for services immediately preceding the transfer.

In November of 2011, Timothy Talbert was transferred to CMS by executive order 2003-10. Mr. Talbert remained at CMS for 44 months, and effective July 1, 2015 retired from the State. At the time of retirement, Mr. Talbert had 21.9792 years under the regular formula, and 5.1667 years under the alternative formula. His benefit was calculated so that 5.1667 years were calculated under the higher formula (2.5% for each year of service) and the 21.9792 years were calculated under the regular formula (1.67% for each year of service).

This benefit calculation was permitted because such service was related to employment as "security employee" of the Department of Corrections, and there is an explicit statutory provision that permits this calculation in situations in which the member has less 20 years in the alternative formula, but at least 20 years of total state service. Subsections (h) and (j) of 40 ILCS 5/14-108 permit security employees to get the higher benefit formula for years spent as a security employee even if they have less than 20 years in a position under the alternative formula.

(h) In the case of a member who is a covered employee, the retirement annuity for membership service as a security employee of the Department of Corrections or security employee of the Department of Human Services shall be: if retirement occurs on or after January 1, 2001, 2.5% of final average compensation for each year of creditable service; if retirement occurs before January 1, 2001, 1.67% of final average compensation for each of the first 10 years of service, 1.90% for each of the next 10 years of service, 2.10% for each year of service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30.

(j) The retirement annuity computed pursuant to paragraphs (g) or (h) shall be applicable only to those security employees of the Department of Corrections and security employees of the Department of Human Services who have at least 20 years of membership service and who are not eligible for the alternative retirement annuity provided under Section 14-110. However, persons transferring to this System under Section 14-108.2 or 14-108.2c who have service credit under Article 16 of this Code may count such service toward establishing their eligibility under the 20-year service

requirement of this subsection; but such service may be used only for establishing such eligibility, and not for the purpose of increasing or calculating any benefit.

This same treatment does not apply to the newly defined term of “transferred employee”. Said different, for a “transferred employee” to get the higher benefit formula multiplier, he or she would need at least 20 years of service in a position covered under the alternative formula. In Mr. Talbert’s case, his years of service in a position that meets the definition of “security employee” plus his years of service in a position that meets the definition of “transferred employee” does not total at least 20 years of service, therefore the years of service as a transferred employee is not eligible to be upgraded. Mr. Talbert has requested a personal hearing seeking retroactive adjustments to his service credit associated with his time as a transferred employee.

The case was referred to the System’s attorney for recommendation.

Attorney Self presented recommendation No. 2019-7 to the Committee to deny Mr. Talbert’s appeal to have his service as a “transferred employee” recalculated under the Alternative Formula. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to accept recommendation No. 2019-7. The motion was seconded by Chairman Iglarsh and all were in favor.

#### John P. King – Survivor Contribution Refund Repayment

John King retired effective January 1, 2014, at which time he did not have a qualified survivor. He was paid a refund of survivor contributions on February 25, 2014 totaling \$4,706.50. He married on December 8, 2018. Following his marriage, Mr. King inquired about the steps necessary to qualify his spouse for survivor’s benefits. Mr. King was informed that his spouse would not qualify for survivor’s benefits until December 8, 2019. In addition, Mr. King was informed that he would need to repay the amount of the refund plus interest. No estimate has been provided because his spouse, Mr. Moran, is not yet eligible to qualify for survivor’s benefits. Mr. King has requested a personal hearing seeking for the applicable interest to be waived.

Vice-Chairperson Morris recused himself from the case. The case was referred to the System’s attorney for recommendation.

Attorney Self presented recommendation No. 2019-8 to the Committee to deny Mr. King’s appeal to waive the interest portion of the payment to repay his survivor benefit. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to accept recommendation No. 2019-8. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Thomas V. Brenner – Military Service Credit Purchase

Thomas Brenner is an active member and requested an estimate to purchase 24.25 months of military service credit. The estimate provided to Mr. Brenner indicated a cost of \$36,811.08, if paid by April 30, 2019. Of that amount, \$23,929.72 was the interest component. Mr. Brenner incurred a disabling condition while serving in the military, and the Department of Veterans Affairs has rated him 100% disabled. Mr. Brenner has

requested a personal hearing requesting that the System waive the cost to purchase military service for disabled veterans, or at minimum, to waive the interest associated with the purchase.

The case was referred to the System's attorney for recommendation.

Attorney Self presented recommendation No. 2019-9 to the Committee to deny Mr. Brenner's appeal to waive the cost and/or interest to purchase military service for disabled veterans. Following a review of the recommendation and some discussion, a motion was made by Executive Secretary Blair to accept recommendation No. 2019-9. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Wayne Chamberlain – Repayment of Soc Sec. Overpayment

Wayne Chamberlain was approved for a nonoccupational disability benefit from SERS effective October 19, 2016.

Mr. Chamberlain was approved for a retroactive Social Security disability benefit effective February 1, 2017. The retroactive benefit created an overpayment to SERS totaling \$16,335.00 from February 1, 2017 through December 31, 2017.

A prior appeal in June of 2018 resulted in the committee to allow Mr. Chamberlain to apply his refund of contributions in the amount of \$14,088.56 to the \$16,335.00 overpayment, leaving a balance of \$2,246.44 to be repaid by sending \$100 per month.

Mr. Chamberlain did not apply for the refund but was sending \$100 per month. His attorney sent a letter on August 23, 2018 stating that the offer to cash in the retirement contributions to apply to the refund and repay the balance was not accepted. They agreed to send \$100 per month.

A letter was sent April 2, 2019 stating that the Executive Committee agreement was \$100 per month would be applied to the balance of the overpayment after Mr. Chamberlain's refund of contributions was applied.

Mr. Chamberlain's attorney sent a response dated May 13, 2019 requesting that SERS allow the offer of applying the refund to the overpayment and writing off the remaining balance.

After review and discussion, Executive Secretary Blair made a motion to deny Mr. Chamberlain's request for the write-off the remaining balance of overpayment, seconded by Chairman Iglarsh. All were in favor.

#### Raymond Smith – Re-Appeal for Serv. Credits under Alternative Formula [Personal Hearing, Spfld]

At the January 10, 2019 Executive Committee, Raymond Smith appealed to the committee seeking to receive an additional 9 months of service credit upgraded to the alternative formula related to Public Act 100-611. At the Executive Committee meeting conducted on February 14, 2019, the committee adopted counsel's recommendation effectively denying Mr. Smith's appeal. Ultimately, the committee

denied the appeal because the 9 months in which Mr. Smith is seeking to upgrade was for employment at the Department of Insurance. The Public Act provides that only employment at CMS or DoIT is eligible for the upgrade.

Mr. Smith is seeking a re-appeal by personal hearing contending that if other employees that took promotions within CMS or DOIT are eligible for the service credit upgrade, then the 9 months of service credit associated with his promotion to Department of Insurance should be eligible.

The System contends that the employing state agency determines whether their employee is eligible for the alternative formula. SERS does not bestow alternative formula or regular formula status on members. Employing agencies that certify the retirement coding on their payrolls also must certify a change in the code indicating the initial payroll was incorrect. SERS relies on the agency to inform us when the alternative formula eligibility is broken due to change in position or promotion. SERS does not have personnel records on which to make these determinations.

Furthermore, in regard to Public Act 100-0611, only CMS and DoIT service has been included in the upgrading of previously granted service. No such records exist pertaining to other agency service because no one else that transferred out were allowed to continue in the alternative formula associated with this Public Act.

### Background

Public Act 100-611 provides that certain members who were participating under the alternative formula prior to being transferred from IDOC/IDJJ to CMS or DoIT as a result of certain executive orders shall receive service credit under the alternative formula for service after the transfer.

In November of 2011, Raymond Smith (member ID - 71-5423247) was transferred to CMS by such an executive order. Mr. Smith remained at CMS through November of 2013, then took another position at the Department of Insurance. In May of 2015, Mr. Smith returned to the Department of Corrections.

It should also be mentioned that Mr. Smith won a grievance for the period of August 1, 2014 through April 31, 2015 that awarded him alternative formula service credit for that portion of his employment at the Department of Insurance. He is in the process of completing the purchase for that service credit upgrade. Staff informed Mr. Smith of the cost necessary to upgrade such service, and the amount of service credit that would be upgraded. In conversations with Mr. Smith, he was informed that his employment period of November 16, 2013 through July 31, 2014 at the Department of Insurance was not eligible for an upgrade as a result of this Public Act. He disagrees and contends that the language below (which is in PA 100-611) provides that he is entitled to alternative service for all his service following the date of his transfer, including all of his time at the Department of Insurance.

A person under paragraph (20) is entitled to eligible creditable service for service credit earned under this Article on and after his or her transfer by Executive Order No. 2003-10, Executive Order No. 2004-2, or Executive Order No. 2016-1.

Staff maintains that the employment period of November 16, 2013 through July 31, 2014 is not eligible for the service credit upgrade provided by Public Act 100-611.

After review and discussion, the case was referred to SERS' attorney for recommendation.

### **New Business**

#### **Donna Kirkwood – Appealing Repayment of Overpayment – Teleconference Hearing**

Due to an audit, it was determined that the half-time ceasing date for Donna Kirkwood's benefit had been miscalculated. She had two periods of a 6B non-occupational disability, where benefits should have stopped but SERS continued to pay.

- 1) The first half-time cease miscalculation was for the time period of July 1, 2017 through January 31, 2018. The half-time cease date should have been February 1, 2018 but SERS paid benefits through February 28, 2018 creating an overpayment for one month in the amount of \$401.00.
- 2) The second half-time cease miscalculation occurred when Ms. Kirkwood returned to a non-occupational benefit effective July 30, 2018. The half-time cease date should have been September 30, 2018. SERS continued to pay Ms. Kirkwood through February 28, 2019 creating an overpayment for five months in the amount of \$8,802.50

Additionally, for two time periods, SERS failed to offset Ms. Kirkwood' benefit due to a social security award

- 1) For the time period of July 1, 2017 through November 30, 2017 creating an overpayment of \$6,625.00.
- 2) For the second time period of July 30, 2018 through September 30, 2019 creating an overpayment of \$2,791.23.

The total overpayment for half-time cease miscalculations and failure to offset Ms. Kirkwood's benefit due to a social security award is \$18,619.73.

SERS sent the member a notification letter on April 12, 2019 that explains the calculation of the overpayment and what was due.

Ms. Kirkwood has requested a personal hearing to appeal the repayment of the overpayment.

Ms. Kirkwood had a teleconference hearing at the June 13, 2019 Executive Committee meeting.



SERS staff will recheck the calculations, discuss her options, and contact Ms. Kirkwood (along with sending her an agreement to sign). After review and discussion, the Committee agreed to delay the collection of the overpayment until Ms. Kirkwood returns to work or retires.

#### Michael D. Tucker – Occ. Dis. – 12 Month Filing Limitation

Michael D. Tucker worked as a Juvenile Justice Supervisor for the Illinois State Department of Juvenile Justice. He stopped work on June 4, 2014, the date he was injured at work. He was last paid on June 4, 2014 and placed on a service connected leave of absence on June 5, 2014. He returned to work on May 15, 2017 on light duty status. Member received TTD benefits from Tristar for a closed period of June 12, 2014 through May 14, 2017 and is asking the Executive Committee to consider approving occupational benefits for the same time period.

The member's request was denied in accordance with Chapter 40 Pensions 5/14-123(a). Mr. Tucker is asking the Executive Committee to waive the 12 month filing rule.

After review and discussion, Vice-Chairperson Morris moved to approve Mr. Tucker's request to waive the 12 month filing limitation, seconded by Chairman Iglarsh. All were in favor.

#### Nora Amaro Cruz – Nonoccupational Disability 90 Day Filing Limitation

Nora Amaro Cruz works as a Human Services Caseworker for the Illinois Department of Human Services. She stopped working on December 31, 2018, was last paid on January 9, 2019, and began a medical leave of absence on January 10, 2019. She has not returned to work at this time.

SERS was notified of her disability on March 11, 2019. SERS mailed her application packet on March 13, 2019 and member returned her application on April 26, 2019. Member did not meet the 90 day filing limitation; therefore, her application for nonoccupational disability was denied.

The member's request was denied in accordance with Chapter 40 Pensions 5/14-124(5). Ms. Cruz is asking the Executive Committee to waive the 90 day filing rule so that she may receive benefits effective February 8, 2019.

After review and discussion, Vice-Chairperson Morris moved to approve Ms. Cruz's request to waive the 90 day filing limitation, seconded by Chairman Iglarsh. All were in favor.

#### Britney Harvey – Nonoccupational Disability Disability 90 Day Filing Limitation

Britney Harvey works as a correctional lieutenant for IDOC. Ms. Harvey began a medical leave of absence on September 30, 2018. She returned to work on February 14, 2019.

Ms. Harvey has requested a written appeal to the Executive Committee so that the 90 day filing limitation can be waived.

The member's request was denied in accordance with Chapter 40 Pensions 5/14-124(5).

After review and discussion, Vice-Chairperson Morris moved to approve Ms. Harvey's request to waive the 90 day filing limitation, seconded by Chairman Iglarsh. All were in favor.

#### Victor Rodriguez – Occ Dis – 12 Month Filing Limitation

Victor Rodriguez works as a Highway Maintainer for IDOT. He was injured on May 4, 2018 and last worked on May 4, 2018. He began a medical leave of absence on May 11, 2018 due to a work-related injury.

Mr. Rodriguez has requested a written appeal to the Executive Committee to waive the 12 month filing limitation. He was paid TTD for this time period.

The member's request was denied in accordance with Chapter 40 Pensions 5/14-123(a). Mr. Rodriguez is asking the Executive Committee to waive the 12 month filing rule.

After review and discussion, Vice-Chairperson Morris moved to approve Mr. Rodriguez' request to waive the 12 month filing limitation, seconded by Chairman Iglarsh. All were in favor.

#### Deborah White – Req. to Lower Repayment Amount to \$100 Per Month

Deborah White was approved for a nonoccupational disability benefit from SERS effective November 18, 2018.

Ms. White was approved for a retroactive Social Security disability benefit effective November 1, 2018.

The retroactive benefit created an overpayment to SERS totaling \$1,960.77 from November 18, 2018 through April 30, 2019.

SERS sent the member a notification letter on May 16, 2019 explaining the calculation of the overpayment and what was due.

As stated in the SERS Board Policy, the Overpayment Section is to deduct ½ the gross of any benefit being paid toward an overpayment owed to SERS. The overpayment due is in accordance with 5/14-125 ILCS of the Pension Code.

Ms. White's monthly gross disability payment is \$2,606.00. No federal tax or state insurance premiums are deducted. She is direct billed by CMS for state insurance premiums in the amount of \$130.00 per month. Effective with the check she will receive in July 2019, half of the gross will be deducted in the amount of \$1,303.00, which will result in a net payment of \$1,303.00. The final payment of \$657.77 will be deducted from the check she receives in August 2019, resulting in a net check of \$1,948.23.

Ms. White has requested to pay \$100.00 per month which will repay the debt in 20 months. The current plan will repay the debt by August 2019.

After review and discussion, Chairman Iglarsh made a motion to accept Ms. White's request to pay \$100 per month towards her overpayment, seconded by Executive Secretary Blair. All were in favor.

## Indaleasa Hopkins – ARCP Repayment

Indaleasa Hopkins terminated state employment October 13, 2004 under Public Act 93-0839, the Alternative Retirement Cancellation Payment (ARCP), which allowed her to cash out twice her contributions plus twice the interest. Her payout amounted to \$106,849.56 to which \$79,452.66 was the ARCP portion.

Ms. Hopkins returned to state employment on February 1, 2006. SERS notified Ms. Hopkins of her obligation to repay the ARCP portion under Public Act 93-0839 in a letter dated March 6, 2006. Ms. Hopkins failed to respond to requests for payment.

On April 3, 2006, SERS filed an Involuntary Withholding with the Office of the Comptroller and began receiving payment garnished from her paycheck.

On August 6, 2007, SERS received a Notice of Chapter 7 Bankruptcy for Ms. Hopkins. SERS cancelled the Involuntary Withholding as required when notified of Bankruptcy. At this point, SERS could no longer proceed with collection attempts.

SERS received notice that a Chapter 13 bankruptcy had been closed on March 29, 2016 and the Chapter 7 bankruptcy had been closed May 23, 2008. Although the bankruptcy had been discharged, SERS cannot proceed with collection until the member starts receiving SERS benefits and then can recoup under "right of recoupment". A letter was sent May 18, 2017 requesting voluntary payments. The member did not respond.

Due to an administrative error, a repayment agreement for the refund of contributions was sent and agreed upon allowing Ms. Hopkins to repay the non ARCP portion of contributions to establish time by irrevocable deductions from her paycheck. Ms. Hopkins should have been denied due to the nonpayment of the ARCP portion, which must be paid first before allowing any repayment of the contributions to establish service time.

On September 12, 2017 Ms. Hopkins was sent a reminder letter regarding her obligation to repay the ARCP portion (her outstanding balance at that time was \$66,213.89). The letter gave her options to repay, and that if she retired, her retirement will be based on service credit earned from 1979 through the time she terminated due to ARCP in 2004. It was also mentioned that SERS would deduct half the gross of her pension and it would be applied to the ARCP balance.

On February 20, 2018 Ms. Hopkins was notified of her approval for nonoccupational benefits payable from December 19, 2017. The letter indicated that SERS would be deducting payments from her checks to be applied to her ARCP overpayment. Ms. Hopkins sent a letter appealing the deductions in May of 2018 but she had already returned to work April 16, 2018 so the issue was irrelevant.

Ms. Hopkins contacted SERS Insurance staff about her insurance at retirement in early 2019. When told that her record indicated that she had completed 13 years of service to date, she stated that she should have over 30 years with the time she was repaying and wanted to speak to a supervisor.

SERS' Benefit Support supervisor spoke to Mrs. Hopkins and told her that until the ARCP portion was repaid, the time that she is purchasing would not be counted toward pension or retirement. She disagreed and was told she had the right to appeal.

In summary, Ms. Hopkins is appealing the fact that the time she had been purchasing will not count toward her pension or insurance until the ARCP is paid in full. The current balance of her ARCP is \$58,600.03. In addition, Ms. Hopkins requested the balance of the final contribution repayment (non ARCP portion) and would access her deferred compensation to repay.

After review and discussion, Chairman Iglarsh made a motion to deny the request to repay the non-ARCP portion of contributions prior to repaying the ARCP portion, seconded by Executive Secretary Blair. All were in favor.

#### Elia Sall – Agency vs. SERS Occupational Disability Payment

Elia Sall was approved for an occupational disability benefit from SERS effective September 1, 2018.

Ms. Sall's agency paid her sick time benefits from August 29, 2018 through October 25, 2018, causing an overpayment of \$4,922.47 for the time period of September 1, 2018 through October 25, 2018. The current balance of the overpayment owed is \$3,459.60.

Ms. Sall has been approved for a temporary disability benefit from SERS effective March 31, 2019.

As stated in the SERS Board Policy, the Overpayment Section is to deduct ½ the gross of any benefit being paid toward an overpayment owed to SERS, or the repayment amount should pay the debt in 60 months. The overpayment due is in accordance with 5/14-125 ILCS.

Ms. Sall's monthly gross disability payment is \$2,925.73. Federal tax in the amount of \$200.79 is deducted. She is paying CMS Premium Collection Unit a total of \$354.46 per month for health, dental, and optional life insurance. The deduction of \$1,462.87 applied to her overpayment reduces the net amount to \$1,262.07.

Ms. Sall did not offer a payment amount she would prefer. The amount we are currently deducting (\$1,462.87) will repay her debt to SERS in 4 months.

After review and discussion, Chairman Iglarsh made a motion to set the repayment amount for Ms. Sall at \$250.00 per month, seconded by Executive Secretary Blair. All were in favor.

#### Dawn Jennings – Request to Lower Repayment Amount to \$100.00 Per Month

Dawn Jennings was approved for a nonoccupational disability benefit from SERS effective March 31, 2018.

Ms. Jennings returned to work August 16, 2018 and did not notify SERS until November 30, 2018. This late notification caused an overpayment of nonoccupational disability benefits in

the amount of \$7,403.71 from August 16, 2018 through October 31, 2018. The member currently owes \$5,735.00.

Ms. Jennings has been approved for a nonoccupational disability benefit from SERS effective March 31, 2019.

As stated in the SERS Board Policy, the Overpayment Section is to deduct ½ the gross of any benefit being paid toward an overpayment owed to SERS or the repayment amount should pay the debt in 60 months. The overpayment due is in accordance with 5/14-125 ILCS.

Ms. Jennings' monthly gross disability payment is \$2,942.50. No federal tax is deducted. She is paying CMS Premium Collection Unit a total of \$130.00 per month for health and dental insurance. A deduction of \$1,518.71 is applied toward her overpayment. The net amount sent to Ms. Jennings is \$1,518.71.

Per telephone call to Ms. Jennings, she can afford \$100 per month until she returns to work and can direct her payroll to deduct \$75.00 per pay from her check. Her anticipated return to work date would be sometime in July 2019.

After review and discussion, Executive Secretary Blair made a motion to deny Ms. Jennings' request to lower her repayment amount of \$100 per month, seconded by Chairman Iglarsh. All were in favor.

#### Russell Myers – Appeal for Retirement Annuity

Russell Myers has been an inactive member since May 1986. He was mailed a certified letter on January 7, 2019 regarding the minimum required distribution which gave him the option to either retire, take a refund, or participate in the total buyout.

Mr. Myers did not submit a retirement application by the required date; therefore, a refund payment was mailed to his home in April 2019.

He has returned the uncashed refund payment and is appealing to receive a retirement annuity.

After review and discussion, a motion was made by Executive Secretary Blair to approve Mr. Myers' request for a retirement annuity, seconded by Chairman Iglarsh. All were in favor.

#### Larissa Williamson – Temporary Disability vs. Occupational Disability

Larissa Williamson worked for the Department of Corrections as a Correctional Officer at Stateville Correctional Center. She had been employed since 1996. Ms. Williamson was injured transporting an inmate to a doctor's appointment.

Ms. Williamson received an Arbitrator's decision in March 2019 awarding her Permanent Partial Disability benefits due to 55% loss of the person as a whole. Ms. Williamson is appealing the Arbitrator's decision and is asking for a life award.

Tristar has stopped paying TTD benefits to Ms. Williamson; therefore, SERS also stopped her benefit. Her health care insurance will be terminated. Because she has a contested Workers' Comp. claim, SERS has advised Ms. Williamson that she will have to apply for our Temporary benefit and will have to wait the 150-day waiting period before SERS would start to pay her and her health insurance would be reinstated.

Ms. Williamson is appealing the decision to have her go on SERS' Temporary benefit and wait 150 days for benefits. She would like to be continued on an occupational disability benefit.

After review and discussion, Executive Secretary Blair moved to approve Ms. Williamson's request to continue receiving occupational disability with the workers' compensation offset based on the disputed Arbitrator's decision. The motion was seconded by Chairman Iglarsh. All were in favor.

#### Kenneth Janisch – Write-off – Reinstatement of Member Account

Kenneth Janisch's account was written-off in a prior fiscal year. Since then, the member has contacted us and requested a termination refund of his applicable SERS contributions.

The Claims Division is requesting the Executive Committee to reinstate the member account so that the resignation refund can be processed.

After review and discussion, Executive Secretary Blair moved to reinstate the member account that was written-off so that a resignation refund can be processed. The motion was seconded by Chairman Iglarsh. All were in favor.

#### Lisa Thomas – Social Security Overpayment and Back Wages – Teleconference Hearing

##### Recap of prior appeal – July 2018

Lisa Thomas was approved for a nonoccupational disability benefit from SERS effective June 26, 2017.

Ms. Thomas was approved for a retroactive Social Security disability benefit effective Jun 1, 2017. The retroactive benefit created an overpayment to SERS totaling \$12,997.04 from June 26, 2017 through January 31, 2018. An additional overpayment occurred when Ms. Thomas returned to work and a check for March had already been issued. The amount of the return to work overpayment is \$1,053.03.

Ms. Thomas' total overpayment is \$14,050.07. UPDATE: Current balance is \$12, 125.74.

SERS sent the member a notification letter on May 24, 2018 that explains the calculation of the overpayment and what was due SERS. Ms. Thomas' nonoccupational disability benefit ended March 19, 2018 due to her return to work.

Ms. Thomas has made no attempt to repay the debt and is now appealing the amount of the debt. To repay the debt in 5 years, she would pay SERS \$234.18 per month. Her current gross monthly salary is \$4,570.00. She pays \$166.15 per month for health, dental, and life insurance premiums.

Ms. Thomas can retire May 1, 2036 under a reduced retirement or May 1, 2041 under unreduced retirement benefits. Ms. Thomas appealed the total amount owed. UPDATE: Board approved \$250.00 per month payroll deductions on August 9, 2018. She is currently making those payments through payroll deduction.

Current appeal – June 2019

Due to the approval and appropriation of back wages owed to members, Ms. Thomas is requesting SERS expedite the calculation of the possible change to benefits she received in the past. She expects the recalculation will erase her overpayment and any money owed to her be refunded.

The back-wage increase and possible change in past benefit amounts will not erase the overpayment, but it may reduce the overpayment amount. She is experiencing financial difficulty.

SERS staff will review the case, recalculate her overpayment, and contact Ms. Thomas once back wages have been paid and SERS has received the contributions and breakdown for the additional wages.

There being no further business to be brought before the Committee, the meeting was adjourned at 2:55 p.m.

The next meeting of the Executive Committee is scheduled for July 11, 2019, in the Springfield office, with video conferencing in Chicago.

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Loren Iglarsh, Chairman

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David Morris, Vice-Chairperson

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Timothy Blair, Executive Secretary