

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

November 14, 2019

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, November 14, 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  
Eric Glaub, Manager, Claims Division  
Karen Brown, Supervisor, Disability Section  
Cory Mitchell, Acting Supervisor, Pension and Death Section  
Alan Fowler, Manager, Accounting Division  
Steve Bochenek, System Attorney  
Jessica Blood, Recording Secretary

Minutes of the Previous Meeting

The minutes of the October 10, 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 Vice-Chairperson Morris, seconded by Executive Secretary Blair and by unanimous vote, the minutes were approved as submitted.

Routine Claims Report

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

Old Business

Cynthia Koester – Re-Appeal for Unreduced Survivor Benefits – Mbr: Donald Koester - Recommendation

At their August 8, 2019 meeting, the Executive Committee denied the appeal of Cynthia Koester, to purchase service credit with SERS to qualify for unreduced survivor's benefits payable from Cook County Pension Fund (CCPF).

Ms. Koester requested a re-appeal of her case, which was approved by the Committee at their September meeting. After hearing Ms. Koester present her case via teleconference, the Committee referred the matter to Attorney Bochenek for a recommendation.

Attorney Bochenek presented Recommendation No. 2019-16 to deny Ms. Koester's request. After discussion, a motion was made by Executive Secretary Blair to adopt the recommendation. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Kraig Kotter – Appeal Overpayment - Recommendation

Kraig Kotter received a disability benefit from SERS through June 30, 2019.

During an audit of disability files, it was discovered that Mr. Kotter's time with IMRF was considered to extend his disability benefit through 2022 due to an administrative error. Therefore, an overpayment was created.

Mr. Kotter is requesting that SERS either forgive the overpayment or establish a repayment plan that will not create a hardship for his family.

At their October meeting, the Committee referred the case to Attorney Bochenek for a recommendation.

Attorney Bochenek presented Recommendation No. 2019-18 to deny Mr. Kotter's request. After review, Vice-Chairperson Morris made a motion to adopt the recommendation. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Martin Van Kampen – Appeal SSA Overpayment – Recommendation

Martin Van Kampen has been receiving a non-occupational disability benefit from SERS effective February 2015 through present. He was approved for a retroactive Social Security disability benefit effective July 2017, which created an overpayment. Mr. Van Kampen retired effective May 2019.

Per SERS Board policy, the Overpayment Section is to deduct half the gross of any benefit being paid toward an overpayment owed to SERS.

Mr. Van Kampen appealed the overpayment in a personal hearing at the Committee's October meeting. The Committee referred the case to Attorney Bochenek for a recommendation.

Attorney Bochenek presented Recommendation No. 2019-15 to deny Mr. Van Kampen's request. After some discussion, a motion was made by Executive Secretary Blair to adopt the recommendation. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Adam Due – Appeal Non-Occupational Disability Denial – Recommendation

Adam Due has 9 months of service with the State of Illinois and 26 years of service with SURS. He retired reciprocally with SURS and IMRF in 2016.

Mr. Due was denied a non-occupational disability benefit due to not having 18 months of creditable service with SERS. It was also determined that his 26 years of service credit with SURS had already been used due to his retirement in 2016, making him ineligible to receive a SERS disability benefit.

Mr. Due appealed the denial of his disability application in a personal hearing at the Committee's October meeting. The Committee referred the matter to Attorney Bochenek for a recommendation.

Attorney Bochenek presented Recommendation No. 2019-17 to deny Mr. Due's request. After review, a motion was made by Chairman Iglarsh to adopt the recommendation. The motion was seconded by Executive Secretary Blair and all were in favor.

#### Beth LeGrant – Appeal SSA Overpayment

Beth LeGrant began receiving a disability benefit from SERS effective February 2017. She reached the age for SSA retirement eligibility in January 2019. Ms. LeGrant continued to receive a disability benefit, which created an overpayment with SERS. Ms. LeGrant is appealing the overpayment.

The Committee deferred the case pending further review at their October meeting. After discussing the facts of the case, a motion was made by Chairman Iglarsh to deny waiving Ms. LeGrant's overpayment but defer collection of the repayment pending a decision from SSA. Vice-Chairperson Morris seconded the motion, and all were in favor.

#### Lisa Black – Appeal for Reduced ARCP Repayment Amount – Request for Re-Appeal

Lisa Black terminated state employment in August 2006 under Public Act 94-0839, the Alternative Retirement Cancellation Payment (ARCP).

Ms. Black returned to state employment in September 2019. Ms. Black contacted SERS regarding her return to work and how much she would owe to ARCP.

At their September 2019 meeting, the Committee denied Ms. Black's request for a reduced monthly repayment amount.

Ms. Black is requesting a re-appeal of her case. After reviewing the facts of the case and

determining no new evidence had been submitted, a motion was made by Chairman Iglarsh to deny Ms. Black's request for a re-appeal. The motion was seconded by Executive Secretary Blair and all were in favor.

#### Becky McEmery – Appeal Repayment Amount

Becky McEmery began receiving a survivor benefit in August 2005. It was discovered in June 2019 that the minor children who were previously in Ms. McEmery's care had not been since May 2018, creating an overpayment of survivor benefits.

As stated in SERS Board policy, the Overpayment Section is to deduct half the gross of any benefit being paid toward an overpayment owed to SERS. Ms. McEmery requested a lower repayment amount at the Committee's October meeting. The Committee approved Ms. McEmery's request and offered a monthly repayment amount of \$150.00. Ms. McEmery is requesting a further reduced monthly repayment amount.

After some discussion, a motion was made by Executive Secretary Blair to deny Ms. McEmery's request. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Kirk Schoenbein – Appeal to Retire Reciprocally

Kirk Schoenbein is a member of the Illinois Municipal Retirement Fund (IMRF), SERS and JRS, but is not independently vested with JRS.

Mr. Schoenbein retired reciprocally with IMRF effective March 1, 2017 and is deferred with SERS until March 1, 2022 when he reaches age 60. He elected not to retire reciprocally with JRS.

Mr. Schoenbein is appealing that SERS undo his reciprocal pension with IMRF and instead retire reciprocally with JRS.

The case was again deferred at the Committee's September and October meetings pending further research into the case. After discussion, the Committee decided to defer the case pending a decision from IMRF.

#### New Business

#### Candyce Sharp – Appeal Non-Occupational Disability Denial – Personal Hearing (Chicago)

Candyce Sharp received a non-occupational disability benefit from SERS from April 5, 2019 through April 30, 2019. After inquiring as to why her benefit had stopped, Ms. Sharp was told that additional medical documentation was needed to support an extension of her benefit.

Ms. Sharp's Disability Specialist submitted all the medical documentation available to

a SERS medical consultant, who determined there was insufficient evidence to support an extension of Ms. Sharp's disability benefit. Ms. Sharp is appealing the denial of her non-occupational disability extension and requested a personal hearing at the Committee's October meeting. Ms. Sharp did not appear before the Committee and her case was deferred.

After some discussion, the Committee decided to defer the case and determine if Ms. Sharp would like to reschedule her personal hearing. If no personal hearing is scheduled, the Committee will consider her case as a written appeal at their December meeting.

#### Brian Perfect – Appeal to Purchase Service Credit

Brian Perfect retired July 2019. His pension is reduced for age as he was two months short of meeting the Rule of 85.

Mr. Perfect did not request a pension estimate or the cost to purchase service credit prior to his retirement. He is appealing to purchase his qualifying period after retirement so his pension will no longer be reduced.

After reviewing the facts of the case, a motion was made by Executive Secretary Blair to deny Mr. Perfect's request. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Peggy Franklin – Appeal to Retire Independently

Peggy Franklin retired reciprocally with the State Universities' Retirement System (SURS) August 2019. Ms. Franklin did not complete a retirement application with SURS and has requested a refund from their system.

If Ms. Franklin received a reciprocal pension, SURS would reduce their service by 6.4760 years for concurrency and her service with SERS has been reduced by .2740 years. Ms. Franklin is appealing to retire independently as this would be a greater financial benefit for her.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Franklin's request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Erskine Route Jr., Deceased – Proof of Financial Support

Erskine Route Jr., an active state employee, died August 1, 2019. He has a disabled adult daughter, Amiah Route.

Financial dependency is typically proven based on the member claiming the survivor on his or her tax return. However, the survivor's mother, Cari Salmon, claimed Amiah for tax purposes rather than Mr. Route. Mr. Route was paying child support to Cari

Salmon for Amiah.

The Pension and Death Section is seeking the opinion of the Executive Committee as to whether child support proves 50% financial dependency for survivor benefits.

After discussing the facts of the case, the Committee decided to defer a decision pending receipt of further financial documentation from Ms. Salmon.

#### Kunsil Yoon – Reinstatement of Account

The account of Kunsil Yoon became eligible for write-off in June 2017. Contributions and creditable service were written off.

The Guardian of Ms. Yoon has supplied SERS with a new address and proper identification. The Pension and Death Section is requesting the Executive Committee approve the reinstatement of this account so Ms. Yoon can retire reciprocally with IMRF.

After some discussion, a motion was made by Executive Secretary Blair to approve reinstatement of the account. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Joseph Gasparich – Appeal for Reduced ARCP Repayment Amount

Joseph Gasparich terminated state employment in October 2004 under Public Act 93-0839, the Alternative Retirement Cancellation Payment (ARCP).

Mr. Gasparich returned to state employment October 2019. SERS notified Mr. Gasparich of his obligation to repay the ARCP portion under Public Act 93-0839 in a letter dated October 7, 2019.

Mr. Gasparich is appealing for a reduced ARCP repayment amount.

After reviewing the case, a motion was made by Chairman Iglarsh to deny Mr. Gasparich's request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Roy Fojas – SSA Overpayment – Appeal for Reduced Repayment Amount

Roy Fojas was approved for a non-occupational disability benefit from SERS effective May 2013. Mr. Fojas was approved for a retroactive Social Security disability benefit effective October 2013, which created an overpayment of benefits.

SERS sent Mr. Fojas a notification letter dated October 9, 2019 explaining the calculation of the overpayment and what is due to SERS.

Per SERS Board policy, the Overpayment Section is to deduct half the gross of any

benefit being paid toward an overpayment owed to SERS. Mr. Fojas is requesting a reduced repayment amount.

After reviewing the case and some discussion, a motion was made by Executive Secretary Blair to deny Mr. Fojas' request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Amber Beal – SSA Overpayment – Appeal for Reduced Repayment Amount

Amber Beal was approved for a non-occupational disability benefit from SERS effective August 2013 through September 2015 and October 2016 through May 2017.

Ms. Beal was approved for a retroactive Social Security disability benefit effective January 2014, which created an overpayment of benefits.

SERS sent Ms. Beal a notification letter dated October 5, 2017 explaining the calculation of the overpayment and what was due to SERS.

In accordance with SERS Board policy, the Overpayment Section is to deduct half the gross of any benefit being paid toward an overpayment owed to SERS. Ms. Beal is no longer receiving a disability benefit and has not returned to work. She is appealing for a reduced repayment amount of \$200.00.

After discussing the facts of the case, a motion was made by Chairman Iglarsh to approve Ms. Beal's request contingent on the understanding that the overpayment will be sent to collections with Ms. Beal being responsible for penalties should she default on payment. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Peter Milone – SSA Overpayment – Appeal for Reduced Repayment Amount

Peter Milone was approved for a non-occupational disability benefit from SERS effective October 2018. Mr. Milone was approved for a retroactive Social Security disability benefit effective July 2017, which created an overpayment.

SERS sent Mr. Milone a letter dated September 2019 explaining the calculation of the overpayment and what was due to SERS. Per SERS Board policy, the Overpayment Section is to deduct half the gross of any benefit being paid toward an overpayment owed to SERS. Mr. Milone is appealing for a reduced repayment amount.

After some discussion, the Committee decided to defer the case pending results of Mr. Milone's Worker's Compensation settlement and discussion with Mr. Milone regarding whether he would like to present his case at a personal hearing.

#### Timothy Winks – Appeal Reciprocal Retirement Overpayment Amount

Timothy Winks retired from SERS effective January 2017, marking that he wished to

retire reciprocally with IMRF. However, Mr. Winks did not apply for a retirement benefit with IMRF and it appears a reciprocal certification was never sent to their system.

Mr. Winks returned to work for IMRF and an overpayment of SERS benefits was created based on the understanding that Mr. Winks had retired reciprocally with that system.

Mr. Winks is appealing for a reduced repayment amount. Since Mr. Winks did not complete the reciprocal retirement process with IMRF and is not retired from that system, there is no overpayment due.

After some discussion, the Committee decided to deny the appeal since no repayment is necessary and directed staff to retire Mr. Winks independently with SERS because he did not complete the reciprocal retirement process.

#### Sharon Uhrig – Staff Direction Regarding Gainful Employment

Sharon Uhrig is receiving a non-occupational disability benefit from SERS. Ms. Uhrig is also employed.

Ms. Uhrig exceeded the earnings limitation for gainful employment in the fourth quarter of 2018, which she paid in full. She signed a Disability Earnings Agreement which stated that she would not exceed the quarterly limitation a second time.

In 2019, Ms. Uhrig exceeded the earnings limitation during the second quarter by a nominal amount. The Disability Section is requesting staff direction as to whether Ms. Uhrig can repay the nominal amount and continue to receive a benefit given the ensuing increase in allowed income. Effective January 1, 2020 the limit on gainful employment increases to \$3,660.00 per quarter, which exceeds the amount Ms. Uhrig earned in the second quarter of 2019.

After review and discussion, a motion was made by Chairman Iglarsh to approve the request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Shirley Smith – Reinstatement of Account to Apply to Overpayment

Shirley Smith's account was written off in a prior fiscal year. The Claims Division is requesting that the Executive Committee approve the reinstatement of the portion of Ms. Smith's account necessary to apply to her outstanding overpayment with SERS.

After review, a motion was made by Chairman Iglarsh to approve the request. The motion was seconded by Executive Secretary Blair and all were in favor.

#### Darlene Jones – Reinstatement of Account to Apply to Overpayment

Darlene Jones' account was written off in a prior fiscal year. The Claims Division is



requesting that the Executive Committee approve the reinstatement of the portion of Ms. Jones' account necessary to apply to her outstanding overpayment with SERS.

After review, a motion was made by Chairman Iglarsh to approve the request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Timothy Walker – Reinstatement of Account to Apply to Overpayment

Timothy Walker's account was written off in a prior fiscal year. The Claims Division is requesting that the Executive Committee approve the reinstatement of the portion of Mr. Walker's account necessary to apply to his outstanding overpayment with SERS.

After review, a motion was made by Vice-Chairperson Morris to approve the request. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Robin Robinson – Appeal to Purchase Service Credit

Robin Robinson requested an optional service purchase letter for her qualifying period and to repay a refund on September 6, 2019. Although the documentation shows a retirement date of October 1, 2019, the optional service billing letter was never sent.

Although optional service purchases are required by law to be made prior to retirement, Ms. Robinson requested an estimate prior to her retirement that, if provided and paid, would've enhanced her retirement benefit.

The Accounting Division is seeking guidance on whether to provide Ms. Robinson with a single lump sum option to pay for the service purchase and retroactively increase her benefit to her date of retirement.

After reviewing the facts of the case and some discussion, a motion was made by Chairman Iglarsh to approve the request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

#### Joshua Glossop – Appeal for Release from Irrevocable Agreement

Joshua Glossop signed an Irrevocable Payroll Authorization of Permissive Service Credits in August 2019.

In October 2019, Mr. Glossop provided SERS Accounting Division Manager, Alan Fowler, with a written request to release him from the agreement due to financial hardship. Mr. Glossop stated that he was told by his agency Human Resources representative and co-workers that he would only have to pay 20% of the monthly deduction.

The Accounting Division is seeking guidance from the Executive Committee regarding authorization to allow this agreement to be broken through financial hardship. Agreements such as these have typically only been broken due to death, disability or

termination of employment as stated on the signed agreement.

After discussion of the case, the Committee determined they did not have the option to approve Mr. Glossop's request, as they are bound by the Internal Revenue Service to uphold the irrevocable agreement.

Add-on: Harold Wilson – Request Guidance Regarding Survivor Contribution Repayment

Harold Wilson retired August 2019 and took a survivor contribution refund.

Mr. Wilson contacted SERS requesting to repay the refund, as he is currently expecting a child. Typically, repayment calculation cannot be provided unless a member has a qualifying survivor for a period of at least one year under PA 91-0887.

The Pension and Death Section is requesting guidance as to whether a refund can be repaid at this time.

After some discussion, a motion was made by Chairman Iglarsh to approve Mr. Wilson's request. The motion was seconded by Vice-Chairperson Morris and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 11:48 a.m.

The next meeting of the Executive Committee is scheduled for December 12, 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