

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

June 12, 2025

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, June 12, 2024, at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members Present:

Arnold Black, Vice-Chairperson
Timothy Blair, Executive Secretary

Committee Members Present via Videoconference:

Marvin Becker, Chairperson

Others Present:

Jeff Houch, Associate Executive Secretary
Samantha Goetz, General Counsel
Jessica Blood, Recording Secretary
Aaron Evans, Attorney, Sorling Northrup

Others Present via Videoconference:

Donald Craven, Attorney for Brad Floerke
JoAnn Pingsterhaus, Claimant

Minutes of the Previous Meeting

Chairperson Becker presented the minutes of the Executive Committee's meeting on May 14, 2025, for approval. Copies of the minutes were previously emailed to Committee members for review. Executive Secretary Blair moved to approve the minutes as submitted. The motion was seconded by Chairperson Becker and passed unanimously.

Routine Claims Report

The Routine Claims Report for May 2025 was presented. Following a brief discussion, the Routine Claims Report for May 2025, as prepared by staff, was received by the Committee.

Old Business

Kina Askew – Appeal Denial of Nonoccupational Disability Benefits – Recommendation

Kina Askew works as a Diversity Equity and Inclusion Outreach Associate for the Illinois Power Agency. She applied for two separate nonoccupational disability benefits. The first claim related to her recovery from surgery and the second claim related to separate medical conditions.

Ms. Askew underwent a procedure in August 2024. She returned to work after her leave and then had to undergo a separate surgery on November 26, 2024, which required 4 weeks off for adequate post-op recovery.

Ms. Askew's file was sent to MMRO for medical review for each of her disabling conditions. The medical consultant determined that Ms. Askew would have been disabled from performing her job due to her surgery from November 26, 2024, through December 23, 2024. This is only 28 days and does not meet the requirement that their disability keep them from performing their job duties for more than 30 days.

The medical consultant also determined that there was insufficient evidence to suggest that the member was unable to perform her job duties due to her separate medical conditions. There is no objective finding of functional deficits related to her reported symptoms.

Ms. Askew is appealing against the denial of benefits. She is requesting a thorough reconsideration of her case based on her medical evidence. She has submitted some additional medical evidence to support her claim and is requesting a personal hearing via telephone.

Ms. Askew presented her appeal to the Committee. The oral proceedings were recorded by stenographer Amanda Arias, and the transcripts will be provided to Ms. Askew and the Executive Committee.

After reviewing the information presented at their May 2025 meeting, the Committee decided to defer a decision pending further research into the facts of her case for a recommendation.

Attorney Evans presented Recommendation No. 2025-5, to deny Ms. Askew's appeal. Following a brief discussion, Executive Secretary Blair moved to adopt Recommendation No. 2025-5. The motion was seconded by Vice-Chairperson Black and passed unanimously.

Krista Austin – Appeal Overpayment of Nonoccupational Disability Benefits – Gainful Employment – Deferred

Krista Austin works for the Illinois Department of Revenue. She went on nonoccupational disability leave in August 2024 and was paid through March 18, 2025. She returned to work March 29, 2025.

An IDES report showed that Ms. Austin was working for Triune Logistics, LLC., and exceeded the quarterly earnings limitation in the 4th quarter of 2024. An overpayment was set up and Ms. Austin was sent a letter and an Earnings Agreement to sign and return.

Ms. Austin is appealing the overpayment. She states she has never worked for this company, which appears to be a staffing agency. She did indicate on her certification form that she had been earning some money while on disability. She submitted all of her paystubs for the 4th quarter of 2024.

Ms. Austin states she is being paid by Access Financial Management Services and the money comes into a bank account through her husband, Eric Austin. She states this money is sent to her because her disabled aunt lives with her, and she is her caretaker. She states she does very little to assist her aunt, and the payments are more like "boarding costs". She states she is just assisting her family member with daily activities. She does not feel this is a gainful activity and that she should not have any overpayment with SERS as she is not actively working another job.

After reviewing her check stubs, it was determined that Ms. Austin did exceed the quarterly earnings limitation in the 4th quarter of 2024. She also provided her bank account statements, to show that she has never received any pay from Triune Logistics.

Ms. Austin is appealing the overpayment. She does not feel she is performing work to receive these payments.

After reviewing the facts of the case at their May 2025 meeting, the Committee decided to defer a decision pending further research into Ms. Austin's earnings.

Following an update on Ms. Austin's earnings provided by staff, Executive Secretary Blair moved to deny Ms. Austin's appeal but amend her overpayment to only include her earnings from Access Financial Management as reflected on her bank statements and paystubs. The motion was seconded by Chairperson Becker and passed unanimously.

Michael Jackson – Appeal Denial of Nonoccupational Disability Benefits – Personal Hearing via Teleconference – Recommendation

Michael Jackson works as a Security Therapy Aide I for the Department of Human Services. He applied for nonoccupational disability benefits due to disabling conditions caused by assaults from residents.

Mr. Jackson's records were sent to SERS' medical consultants for review. The medical reviewer noted that Mr. Jackson's symptoms were not detailed, and he had no progress notes from his provider for review. The medical notes provided were minimal, and a brief mental status exam was unremarkable. His prescription for his disabling condition was noted to be a low dose, which would not reflect the severity of symptoms to support incapacitation. The reviewer concluded that there was insufficient documentation to consider him incapacitated for the performance of duties as a Security Therapy Aide I.

Mr. Jackson is appealing against the denial of his disability claim. He states he was physically assaulted by an inmate in 2021 and 2023. Mr. Jackson never filed Workers' Compensation claims for these instances. He states he has problems performing his job duties due to these events.

Mr. Jackson states in his appeal letter that he is now having additional medical issues related to these workplace assaults. He doesn't think he could keep others safe if he returned to his job. He added that he's trying to get a nonoccupational disability benefit, as it is too late to claim a WC injury.

Mr. Jackson submitted a new Nonoccupational Disability Medical Report, dated April 10, 2025 and a copy of a CMS-95 Physician's Statement dated April 10, 2025. Both forms state Mr. Jackson has restrictions of no work in stressful situations, and Class 3 impairment - slight limitation of functional capacity - light work. He has a return-to-work date of December 31, 2025.

After reviewing the information provided and some discussion, the Committee decided to defer a decision pending receipt of additional objective medical documentation from Mr. Jackson for a recommendation.

Attorney Evans presented Recommendation No. 2025-6, to deny Mr. Jackson's appeal. Following a review and some discussion, Executive Secretary Blair moved to adopt Recommendation No. 2025-6. The motion was seconded by Vice-Chairperson Black and passed unanimously.

New Business

Brad Floerke – Appeal to Waive Reduction to Pension and Overpayment of Benefits – Removal of Stipend for Insurance Plan Implementation – Personal Hearing via Teleconference – 9:00 a.m.

Brad Floerke retired effective August 1, 2024, and SERS recently discovered that he received a \$5,000 stipend as restitution for the elimination of an insurance plan available only to members of certain collective bargaining groups. Since this payment was not "renumeration for personal services performed", it was removed from his "Final Average Compensation" (FAC) calculation component, which reduced his monthly pension amount, see 40 ILCS 5/14-103.10(b).

SERS is obligated to correct mistakes in benefit calculations and since the mistake was discovered within 3 years, the overpayment must also be recouped, see 40 ILCS 5/14-148.1. Mr. Floerke is appealing against the reduction to his pension and the overpayment of his benefits.

Following the presentation of Mr. Floerke's appeal by his attorney Donald Craven, the Committee referred his appeal to external counsel for a recommendation.

Joann Pingsterhaus – Appeal Adjustment to Retirement Annuity – Personal Hearing via Teleconference – 9:45 a.m.

Joann Pingsterhaus received occupational disability benefits from September 26, 2019 through January 12, 2020 and retired effective July 1, 2021. Her agency issued her back wages for the pay periods of December 17, 2019 through January 12, 2020. That transaction resulted in her attaining retroactive "gainful employment", which not only created an overpayment of occupational disability benefits but also lowered her Final Average Compensation (FAC) calculation regarding her retirement annuity as the actual back wages replaced the compensation that was credited to her account, see 40 ILCS 5/14-125. The adjusted FAC calculation required a downward adjustment to her monthly retirement annuity.

Ms. Pingsterhaus is appealing the adjustment to her retirement annuity.

After hearing Ms. Pingsterhaus present her case, the Committee referred her appeal to external counsel for a recommendation.

Dennis Austin – Appeal Overpayment of Disability Benefits – Personal Hearing – Springfield – 10:30 a.m.

Associate Executive Secretary Jeff Houch informed the Committee that Mr. Austin had again requested to defer his personal hearing.

Estate of Louis Miller – Appeal Death Benefit Amount

Louis Miller passed away on June 27, 2001. There were no eligible survivors and both of his nominated death benefit beneficiaries predeceased him, so the lump sum death benefit is payable to his estate. SERS issued notice to the estate of the available benefit multiple times, and such notices erroneously added interest accruals after Mr. Miller's death. It is SERS' longstanding policy that interest accruals for a death benefit cease at the time of the member's death.

SERS contends that this policy aligns with its fiduciary obligations prescribed by 40 ILCS 5/1-109. In the Illinois Supreme Court ruling of Marconi vs. Chicago Heights Police Pension Board, the majority opinion stated that "perhaps the most important function of a pension board is to ensure adequate financial resources to cover the Board's obligations to pay current and future retirement and disability benefits to those

who qualify for such payments." The majority opinion also stated that an important part of a pension board's fiduciary duty is to provide measures "so that funds are not unfairly diverted". SERS contends that if a death benefit beneficiary were able to delay their application for such benefit in order for the death benefit to continue to accrue interest at a robust and risk-free rate well past the member's death, then funds would be unfairly diverted.

Mr. Miller's estate is appealing that his death benefit should include interest accruals after his death.

After discussing the facts of the case, Executive Secretary Blair moved to deny the appeal of Mr. Miller's estate. The motion was seconded by Chairperson Becker and passed unanimously.

Michael Adams – Appeal Denial of Nonoccupational Disability Benefits

Michael Adams works as a Shift Supervisor for the Illinois Department of Corrections. He last worked on December 30, 2024. He began a medical leave of absence on January 2, 2025, due to various medical conditions.

Additional medical records were requested, which Mr. Adams provided. His file was sent to SERS' medical consultants to determine if Mr. Adams is mentally or physically incapacitated from performing his job duties. The consultant determined that the objective medical evidence did not support any real restrictions due to his medical conditions and therefore determined there was insufficient evidence to find him incapacitated from performing his job duties.

Mr. Adams is appealing against the denial of nonoccupational disability benefits. He states he is currently receiving treatment and medication for his conditions and provided additional medical documentation that has not been reviewed by MMRO.

Following some discussion, the Committee decided to defer a decision pending the review of additional medical evidence by MMRO.

Amanda Lewis – Appeal Denial of Nonoccupational Disability Benefits

Amanda Lewis works as a Child Protection Specialist at the Illinois Department of Children and Family Services. She last worked on January 21, 2025, and began a leave of absence January 22, 2025 due to stressful working conditions.

Ms. Lewis' file was sent to MMRO for determination on her claim. The medical consultant indicated there was no support that Ms. Lewis is incapacitated to perform her job duties. The consultant pointed to progress notes indicating improvement in her symptoms. The reviewer felt the intensity of services with visits with her doctor once a month and with her counselor weekly was not a frequency of services typical for an individual who has incurred this type of impairment.

Ms. Lewis is requesting a written appeal for the denial of disability benefits. She states she is incapacitated from performing her current work duties, as indicated by her physician. She provided additional information from her doctors, including a statement as to her disability. Ms. Lewis is seeking approval of her disability claim.

Following a review of the information provided, the Committee decided to defer a decision pending the review of additional medical evidence by MMRO.

Myron Roberts – Appeal for Alternative Formula Service

Myron Roberts is an active member who currently works for the Department of Public Health. From May 1, 1990 through October 31, 1998, he worked at the Alton Mental Health Center. From May 1, 1990, through October 31, 1990, he was employed as a Mental Health Technician Trainee I, from November 1, 1990, through November 30, 1995, he was employed as Mental Health Technician II, and from December 1, 1995, through October 31, 1998 he served as a Support Service Worker II.

Despite multiple inquiries, his agency has never certified that he qualified for Alternative Formula service under the statutory criteria for these periods of service, see 40 ILCS 5/14-110(c)(8):

(8) The term "security employee of the Department of Human Services" means any person employed by the Department of Human Services who (i) is employed at the Chester Mental Health Center and has daily contact with the residents thereof, (ii) is employed within a security unit at a facility operated by the Department and has daily contact with the residents of the security unit, (iii) is employed at a facility operated by the Department that includes a security unit and is regularly scheduled to work at least 50% of his or her working hours within that security unit, or (iv) is a mental health police officer. "Mental health police officer" means any person employed by the Department of Human Services in a position pertaining to the Department's mental health and developmental disabilities functions who is vested with such law enforcement duties as render the person ineligible for coverage under the Social Security Act by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit" means that portion of a facility that is devoted to the care, containment, and treatment of persons committed to the Department of Human Services as sexually violent persons, persons unfit to stand trial, or persons not guilty by reason of insanity. With respect to past employment, references to the Department of Human Services include its predecessor, the Department of Mental Health and Developmental Disabilities.

SERS is unable to change Mr. Roberts' service credit unless DHS certifies that his service in those positions qualifies for Alternative Formula coverage. He is appealing to convert his regular formula service earned between May 1, 1990, through October 31, 1998 to Alternative Formula service.

After reviewing the facts presented and some discussion, Chairperson Becker moved to

deny Mr. Roberts' appeal. The motion was seconded by Vice-Chairperson Black and passed unanimously.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:35 a.m.

The next meeting of the Executive Committee is scheduled for July 10, 2025, in the System's Springfield office.

Marvin Becker, Chairperson

Arnold Black, Vice-Chairperson

Timothy Blair, Executive Secretary