

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
MINUTES OF THE
RULES AND PERSONNEL COMMITTEE
JANUARY 9, 2017

The Rules and Personnel Committee of the Board of Trustees of the State Employees' Retirement System of Illinois convened on Wednesday, January 9, 2017 at 2:00 p.m. at the System's Springfield office located at 2101 South Veterans Parkway.

The following trustees were in attendance:

Alan Latoza, Chairman
Danny Silverthorn, Trustee
Robert Fanti, Trustee

Others in attendance were:

Timothy Blair, Executive Secretary
Jeff Houch, Assistant to the Executive Secretary

The meeting was called to order at 2:00 p.m. Assistant to the Executive Secretary Jeff Houch took the roll call.

PUBLIC COMMENTS

There were no members of the public present.

CHAIRMEN'S REPORT

Chairman Latoza had nothing to report.

REPORT OF ANY TRUSTEE

No Trustee offered a report.

APPROVAL OF MINUTES OF THE OCTOBER 26, 2016 MEETING

Trustee Silverthorn motioned to approve the minutes of the October 26, 2016 meeting of the committee, Chairman Latoza seconded the motion. The motion passed unanimously.

REVIEW OF PROPOSED RULES

Mr. Houch provided an update of the rules that were published in the November 14, 2016 *Illinois Register*. He mentioned that the process with Joint Committee on Administrative Rules (JCAR) has been slower than usual, but that primarily has to do with the volume of submissions by other agencies. He stated that JCAR has recently requested clarification on the provision authorizing the System to waive the medical reporting requirements for certain cases. Mr. Houch provided that such clarification will limit such action to cases in which the evidence supports that the member is permanently disabled and cannot return to his or her job.

In addition, Mr. Houch informed the committee that staff intends to file additional rules that provide mandatory direct deposits for benefit payments payable to members that first retire on or after July 1, 2017 as well as eliminate language in rule that arguably contradicts the statutory provision that prohibits lump sum benefit payments from being included in pensionable salary. Such proposed rules were approved by the committee at the October 26th meeting.

APPROVAL OF LEGISLATION

Finally, Mr. Houch requested the committee's approval to pursue legislation that applies technical and administrative changes to the SERS article of the pension code. Such provisions authorize the executive committee to waive deadlines associated with disability application dates, allow other qualified medical professionals to sign off on medical certifications and replace a few outdated terms and references in the SERS article of the pension code.

After some discussion, Chairman Latoza made the motion to authorize staff to pursue such legislation which Trustee Fanti seconded. The motion passed unanimously.

EVALUATION OF EXECUTIVE SECRETARY AND OTHER MERIT COMP STAFF

Executive Secretary Blair informed the committee that he had intended for the committee to discuss the evaluation of the executive secretary. However, due to the sudden and unexpected absence of the System's Human Resources director, such business would be delayed until the next scheduled Rules and Personnel Committee meeting.

The members of the committee suggested that such future discussion should include the potential authorization of salary increases for not only the Executive Secretary but for the other merit comp employees of SERS. The members of the committee did request that salary comparisons of comparable positions of other regional retirement systems be provided for review. In addition, the committee requested the salary history of the applicable SERS employees which can allow the members of the committee to determine the appropriate action.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

There being no further business to be brought before the committee, the meeting was adjourned at 3:45 p.m.