

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
February 14, 2013

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, February 14, 2013, at 8:30 A.M. in the System's Springfield office at 2101 S. Veterans Parkway with videoconferencing in SERS Chicago Office.

Committee members present:

Loren Iglarsh, Chairman
Timothy Blair, Executive Secretary
Lori Laidlaw, Vice Chairperson

Others Present:

Steve Bochenek, Attorney
Michelle P. Clatfelter, Attorney
Kathy Yemm, Manager, Claims Division
Michael Noblet, Supervisor, Pension & Death Section
Kerry Walker, Assistant Supervisor, Disability Section
Cory Mitchelle, Assistant Supervisor, Pension & Death Section
Joseph S. Maggio, Manager, Service & Refunds Division
Nicholas Merrill, Manager, Accounting Division
Barbara Baird, Manager, Chicago SERS Office
Brenda Russell, Hearing
Dawn Blakeman, Recording Secretary

Minutes of the Previous Meeting

The minutes of the January 10, 2013 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 Chairman Iglarsh seconded by Executive Secretary Blair and by unanimous vote, the minutes were approved as submitted.

Routine Claims & Denial Report

The Routine Claims and Denials Report for the month of January, 2013 were presented. Following review and discussion, the Routine Claims and Denials Report for the period of January, 2013, as prepared by staff was received by the Executive Committee.

Old Business

Robert Ruiz _____ Pension _____

Robert Ruiz requested a personal hearing with the Executive Committee in a letter dated November 19, 2009, regarding the reciprocal agreement be cancelled so he can still

collect his pension benefits from the County Employees' Annuity & Benefit Fund of Chicago pension fund.

Mr. Ruiz through a telephone conversation in December, 2011 with Michael Noblet, Supervisor of the Pension and Death Division has requested another hearing continuance. Accordingly, this case continues to be deferred.

Michelle Flowers Occupational Disability

The System's attorney submitted a recommendation to deny based on the facts and findings on file in this case for the Committee's review. Following discussion, on motion by Executive Secretary Blair, seconded by Vice Chairperson Laidlaw, and by unanimous vote, the Committee accepted Recommendation No. 2013-001

A copy of this recommendation has been made a part of the member's file.

Carlesha Springer Non-Occupational Disability

Carlesha Springer works for a state agency and a medical leave of absence was granted.

Ms. Springer's claim for disability benefits was denied based on a review of medical documentation from treating medical sources.

Ms. Springer's file was reviewed by the System's medical consultant on July 31, 2012 and based on the medical documentation available, her claim for disability benefits was denied.

Carlesha Springer requested a personal appeal pursuant to the denial of disability benefits.

Ms. Springer requested and previously attended a personal hearing with the Executive Committee pursuant to the denial of disability benefits.

She explained she had more medical information and would send it soon.

The Executive Committee agreed to have Ms. Springer send the additional information to the Disability Supervisor for review.

Following a review of the file and some discussion, Chairman Iglarsh moved that the appeal of Carlesha Springer be deferred so additional information could be submitted and reviewed. Executive Secretary Blair seconded the motion, and all were in favor.

After the December 2012 personal appearance Ms. Springer sent in additional medical information and again the entire file was reviewed by SERS Medical Consultant who determined that the medical information failed to substantiate a disabling condition. Therefore, following discussion, the Committee referred this matter to SERS Attorney for recommendation based on the facts and findings in file for presentation at the next meeting.

Phillip J. Saupe Pension/Reciprocal

On June 1, 2012, Mr. Saupe retired under the Reciprocal Act with the State Employees' Retirement System (SERS) and State Universities Retirement System (SURS).

Based upon a review of the file and information submitted, the Executive Committee finds Phillip Saupe is receiving a retirement annuity as of June 1, 2012 and during the application process for his retirement annuity, he indicated he wanted to retire under the reciprocal option.

Mr. Saupe was initially paid \$5,883.76. After the reciprocal exchange was complete it was determined a proportional reduction was necessary because his combined benefits exceeded the 80% maximum. His benefit from SERS was reduced to \$5,491.01.

In a letter dated November 9, 2012, Mr. Saupe sent in a written request to appear before the Executive Committee to appeal the reduction of his SERS pension.

Mr. Phillip J. Saupe along with his friend, Mr. Bruce Bialorucki, appeared before the Committee during the December 6, 2012 meeting. A personal hearing was accomplished and a record of this hearing has been made a part of the member's file.

He stated he doesn't believe that he made any errors and that he should not be punished for our errors.

Following a review of the file and some discussion, the Committee has recommended that the appeal of Phillip J. Saupe be deferred so that the Supervisor of the Pension Section can contact the SURS office to verify that Mr. Saupe could change his retirement within the provisions of the law. He also wants to transfer creditable service to SERS under the provisions of SB65 providing the Police Funds of Benton and Mt. Vernon approve the repayment and transfer under the provisions of SB65.

Glenn Johnson Pension

The System's attorney submitted a recommendation to deny based on the facts and findings on file in this case for the Committee's review. Following discussion, on motion by Secretary Blair, seconded by Vice Chairperson Laidlaw, the Committee accepted Recommendation No. 2013-002 in the matter of Glenn Johnson.

A copy of this recommendation has been made a part of the member's file.

John Vicich Temporary Disability

John Vicich works for a state agency and was granted a service connected leave of absence.

Mr. Vicich received occupational disability benefits until July 12, 2012, at which time the benefits were suspended based on the Worker's Compensation medical examination on May 17, 2012. Mr. Vicich applied for temporary disability while appealing his workers' compensation claim to the Workers' Compensation Commission. The member and his Attorney submitted additional medical information to support the application for disability benefits.

The entire file was reviewed by the System's medical consultant. The medical information failed to substantiate a disabling condition.

John Vicich has requested a personal hearing pursuant to the denial of his claim for temporary disability benefits.

Mr. Vicich, accompanied by his Attorney Mr. Drew Ferracuti, appeared before the Committee. A personal hearing was accomplished, and a record of this hearing has been made a part of the member's file.

Following a review of the file, Chairman Iglarsh moved to defer for more information in the appeal of John Vicich for temporary disability benefits. Executive Secretary Blair seconded the motion, and all were in favor.

The additional information that was obtained indicated that he was disabled from performing his job duties. Therefore, he was approved for temporary benefits.

Michael W. Pigg Service Request

The System's attorney submitted a recommendation to deny based on the facts and findings on file in this case for the Committee's review. Following discussion, on motion by Chairman Iglarsh, seconded by Secretary Blair, the Committee accepted Recommendation No. 2013-03 in the matter of Michael W. Pigg.

A copy of this recommendation has been made a part of the member's file.

New Business

Rita McClusky Non-Occupational Disability

Rita McClusky works for a state agency and a medical leave of absence was granted.

Ms. McClusky's claim for disability benefits was denied based on a review of medical documentation from treating medical sources.

Ms. McClusky's file was reviewed by the System's medical consultant on 10/10/12, 12/9/12 and it was determined the records in file do not establish a disabling impairment. Based on the medical documentation available, Ms. McClusky's claim for disability benefits was denied.

Rita McClusky requested a written appeal pursuant to the denial of disability benefits.

In a written appeal letter dated December 12, 2012 she explained she has more medical information and would forward them right away and that her counselor would also be available by phone.

The additional medical information was received and on 01/09/13 and the entire file was reviewed by SERS Medical Consultant who determined that the medical information failed to substantiate a disabling condition.

Following a review of the file and some discussion, Secretary Blair moved that the appeal of Rita McClusky be denied. Chairman Iglarsh seconded the motion, and all were in favor.

Brenda Russell Non-Occupational Disability

Brenda Russell has requested and attended a personal hearing with the Executive Committee pursuant to the denial of disability benefits.

She explained she has more medical information. However, she failed to bring it with her.

The Executive Committee agreed to have Ms. Russell send the additional information to the Disability Assistant Supervisor for review.

The Committee agreed to defer this matter at this time in order to obtain and review the additional information.

Mark Spankle Occupational Disability/12 Months

Mark Spankle works for a state agency and a service connected leave of absence was granted.

Mr. Spankle's claim for disability benefits was denied due to failure to apply for occupational disability benefits within the proper time frame.

Based upon a review of the file and information submitted, the Committee finds Mark Spankle works for a state agency and a service connected leave of absence was granted.

The System did not receive the employee's application for disability benefits within the time limitation pursuant to occupational disability benefits as noted in 40 ILCS 5/14-123, therefore the application was denied.

Mr. Spankle requested a written appeal pursuant to the denial of disability benefits due to late filing, information was received with the appeal request which lists the reasons the employee failed to file on a timely basis.

Based on the facts of this case and information submitted, the Committee recommends approving Mr. Spankle's appeal for a waiver of the twelve month filing limitation.

Following a review of the file and some discussion, Chairman Iglarsh moved approval of the appeal of Mark Spankle for a waiver of the twelve month filing time limit for occupational disability benefits. Secretary Blair seconded the motion and all were in favor.

Byron Takahashi Non-Occupational Disability

Mr. Takahashi works for a state agency and was granted a medical leave of absence.

Byron Takahashi's claim for disability benefits was denied based on a review of medical documentation from treating medical sources.

Based upon a review of the file and information submitted, the Committee found that Mr. Takahashi works for a state agency and was granted a medical leave of absence.

Mr. Takahashi participated in an independent medical evaluation at the System's request. The results of this evaluation indicated Mr. Takahashi was no longer disabled. Therefore, disability benefits were suspended October 31, 2009.

Mr. Takahashi requested an appeal of the suspension of his disability benefit. He submitted medical information pursuant to his appeal. This documentation was reviewed by the System's medical consultant on February 6, 2010 who indicated the medical information failed to document a disability. Mr. Takahashi's appeal for disability benefits was denied due to medical documentation failing to substantiate a disability.

In July 2010 Mr. Takahashi requested a re-appeal of the denial of his appeal for disability benefits. He submitted additional medical documentation pursuant to this request.

After discussion, the Executive Committee recommended approval of Mr. Takahashi re-appeal request.

Following a review of the file and some discussion, Chairman Iglarsh moved to approve the written re-appeal request for non-occupational disability benefits. Acting Executive Secretary Blair seconded the motion and all were in favor.

On October 26, 2010 the System's medical consultant was asked to review Mr. Takahashi's file with new medical information for the period of November 5, 2009 through March 3, 2010. It was determined that the medical information in the file failed to substantiate a disabling condition.

After discussion and based on the information submitted the Executive Committee recommended denial of the appeal for non-occupational disability benefits due to the medical information in file failing to document a disabling condition.

Following a review of the file and some discussion Executive Secretary Blair moved that the appeal for non-occupational disability benefits be denied Vice Chairman Laidlaw seconded the motion and all were in favor.

Mr. Takahashi contacted SERS stating he would like to make a second re-appeal for non-occupational disability. He has stated that since Social Security Administration approved him for disability that SERS should. He is requesting re-instatement of non-occupational disability benefits back to October, 2009.

Following a review of the file and some discussion, Vice Chairperson Laidlaw moved to deny the reinstatement of benefits and, grant the re-appeal as additional medical information was submitted. Chairman Iglarsh seconded the motion and all were in favor.

Ramon A. Williams Pension/LIO Reduction Request

Ramon Williams is receiving a retirement annuity from the System.

During the application process for his retirement annuity, Mr. Williams had elected participation in the level income option with his pension to be reduced at age 62 and 1 month.

Based upon a review of the file and information submitted, the Executive Committee finds Ramon A. Williams is receiving a retirement annuity as of April 1, 2011 and during the application process for his retirement annuity, he indicated he wanted to retire under the level income option for age 62 and 1 month.

Mr. Williams was notified by letter in January, 2013, in accordance with the election at the time of retirement, his benefit would be reduced starting April, 2013 per his request on the pension application.

At the time of retirement Mr. Williams produced his form from the Social Security Administration showing he would receive \$1,407.00 at age 62, so his level income was based on that amount.

In a letter dated January 30, 2013, Mr. Ramon A. Williams submitted a written appeal to the Executive Committee to amend his application to change the amount on his level income option to the corrected amount. He is stating the estimate of his SSA benefits was incorrect that it assumed he would work until age 62. At the time he applied for his pension and had not realized the 1st estimate from Social security was based on working until age 62. Alternatively, he is requesting the Committee to change the Social Security estimated amount used from \$1,407.00 to \$1,121.00.

After discussion and following a review of the file, the Committee agreed to deny Ramon A. Williams' request to change amount on his level income and to deny his request to change the social security estimate. Executive Secretary Blair moved to deny the written appeal of Ramon A. Williams. Chairman Iglarsh seconded the motion and all were in favor.

Margaret Murphy

Write Off

This account became eligible for a write off in June, 2005. Contributions in the amount of \$13,140.86, and widow and survivors in the amount of \$1,641.76 and 102.25 months of creditable service were written off on June 13, 2005. Ms. Murphy has provided her address and requested a pension estimate.

The Service & Refunds Division is requesting the Executive Committee to approve the reinstatement of this account so that a pension may eventually be paid.

Following a review of the file and some discussion, Chairman Iglarsh moved approval of the appeal of Margaret Murphy's request for reinstatement of her account. Executive Secretary Blair seconded the motion and all were in favor.

Kurt L. Male

Optional Service Refund

In a letter dated January 24, 2013, Mr. Male is requesting a written appeal with the Executive Committee. He is asking for a return of \$15,922.56 that he paid for 12 months of optional military service credit so he could purchase the credit with State Universities Retirement System (SURS).

Based on the facts of this case and information submitted, Chairman Iglarsh recommends approving Mr. Male's timely appeal to return the \$15,922.56 back to his Deferred Compensation account. Executive Secretary Blair seconded the motion and all were in favor.

Bradley D. Leuck

Military Service Irrevocable Payroll Authorization

Mr. Leuck is requesting a written appeal before the Executive Committee. He is attempting to change the terms of his Irrevocable Payroll Authorization of Permissive Service Credits or Redeposit of Contributions form that he completed on March 11, 2011.

The Executive Committee finds that Bradley D. Leuck completed the Irrevocable Payroll Authorization of Permissive Service Credits or Redeposit of Contributions form.

Based on a review of information and after some discussion, Chairman Iglarsh moved to deny the written appeal of Bradley D. Leuck. Vice Chairperson Laidlaw seconded the motion and all were in favor.

Donna Stefani

Service/Furlough HB4644

Donna Stefani requested a written appeal before the Executive Committee. She is asking that she be allowed to purchase 20 furlough days, even though she did not apply in writing to the System before the December 31, 2011 deadline.

The Executive Committee finds that Donna Stefani is attempting to purchase 20 furlough days under the provisions of HB4644.

Following a review of the file and some discussion, Executive Secretary Blair moved to deny the appeal of Donna Stefani to establish credit for 20 furlough days. Vice Chairperson Laidlaw seconded the motion and all were in favor.

Dustin Moore

Survivor Benefit Reinstatement Request

Dustin Moore was receiving a survivor benefit from his mother Sharon Moore who passed away on August 26, 2004.

Mr. Moore started working full time so his benefit was terminated and has ceased as of 06/30/2011.

However, Dustin is no longer employed and is now requesting in a written appeal that his benefits be reinstated.

Based on the facts of this case and information submitted, the Committee recommends denying the request of Dustin Moore to reinstate survivor benefits.

Following a review of the file and some discussion, Executive Secretary Blair moved to deny the appeal. Vice Chairperson Laidlaw seconded the motion and all were in favor.

Michael Schneider

COLA

Michael Schneider retired effective August 1, 2008 from the Illinois State Police at age 51 years 6 months.

Based upon a review of the file and information submitted, the Executive Committee finds Michael Schneider is receiving a retirement annuity as of August 1, 2008.

Mr. Schneider turned 55 on January 1, 2013 and has not received a cost of living increase. He is asking to receive the cost of living increase effective January 1, 2013.

Executive Secretary Blair reviewed the law which states in part “if you retired under the alternative formula, you will receive a 3% increase to your pension on January 1 following your first full year of retirement or age 55, whichever is later.” As Mr. Schneider’s 55th birthday falls on January 1, 2013, he is not eligible for the cost of living increase until January 1, 2014.

Following a review of the file and some discussion, Executive Secretary Blair moved to deny the appeal of Michael Schneider to start his COLA. Vice Chairperson Laidlaw seconded the motion and all were in favor.

Steven P. Buhle/Priscillia Cablarða-Buhle

1404 Submission & Payment

Steven P. Buhle and Priscillia Cablarða-Buhle are both currently receiving a retirement annuity from the System.

The Executive Committee finds Steven P. Buhle and Priscillia Cablarða-Buhle retired effective June 30, 2012.

Both members were employees of the Tinley Park Mental Health facility immediately prior to their retirement. The Tinley Park Mental Health Facility closed on July 2, 2012. At the time of closure Steven P. Buhle and Priscillia Cablarða-Buhle, elected to retire from state service and completed 1404 forms at the facility. As personnel paperwork and files were transferred to the main office of the Department of Human Services, (DHS), in Springfield, the original 1404 forms were lost and lump sum payouts of vacation time were completed without the appropriate retirement contributions.

In a letter dated January 20, 2013, Steven P. Buhle and Priscillia Cablarða-Buhle have requested to purchase the accrued sick & vacation time which they had accumulated prior to their retirement.

Following a review of the file and some discussion, Vice Chairperson Laidlaw moved to approve that Steven P. Buhle and Priscillia Cablarða-Buhle be permitted to purchase accrued sick and vacation time within 30 days of notification by the System. Chairman Iglarsh seconded the motion, and all were in favor.

Vicki Chambliss

Non-occupational Disability

Vicki Chambliss works for a state agency and a medical leave of absence was granted.

Based upon a review of the file and information submitted, the Committee finds Ms. Chambliss works for a state agency, and was granted a medical leave of absence.

Medical data was obtained from sources listed in the employee's file and then reviewed by the System's medical consultant. Based on the information in Vicki Chambliss' file, a disabling condition was not documented. Therefore, the request for disability was denied. Vicki Chambliss requested an appeal pursuant to the denial of disability benefits.

Based on the facts of this case and information submitted, the Committee recommended deferring the appeal of Vicki Chambliss until additional information could be obtained and reviewed by the system's medical consultant.

Ms. Chambliss requested her case be deferred until the November meeting. In a letter dated October 10, 2012, Mr. L. James Hanson, Attorney for Ms. Chambliss sent in additional medical information. The entire file was reviewed by the System's medical consultant who determined that the medical information failed to substantiate a disabling condition.

After discussion the Committee recommended denial of the appeal of Ms. Vicki Chambliss for non-occupational disability benefits. Executive Secretary Blair moved that the appeal be denied. Vice Chairman Laidlaw seconded the motion, and all were in favor.

In a letter dated February 12, 2013, Ms. Chambliss' Attorney L. James Hanson requested a re-appeal. He requests that Ms. Chambliss be granted a re-appeal and reopen her case for reconsideration due to the additional relevant documents submitted.

After a review of the file, Vice Chairman Laidlaw recommended approval of the re-appeal of Vicki Chambliss for non-occupational disability benefits. Executive Secretary Blair seconded the motion, and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 11:15PM. The next meeting of the Executive Committee is scheduled for Thursday March 14, 2013, in the Springfield office, with video conferencing in Chicago if needed.

Loren Iglarsh
Chairman

Lori Laidlaw
Vice Chairperson

Timothy Blair
Executive Secretary