

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
June 8, 2017

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, June 8, 2017 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members:

Loren Iglarsh, Chairman
Jeremy Tad Hawk, Trustee
Timothy Blair, Executive Secretary

Others Present:

Jeff Houch, Assistant Executive Secretary
Emily Reid-Peterson, SERS Attorney
Kathy Yemm, Manager, Claims Division
Don Williams, Supervisor, Disability Section
Neal Young, Acting Executive II, Pension and Death Section
Joe Maggio, Manager, Service and Refunds Division
Jessica Blood, Recording Secretary

Minutes of the Previous Meeting

The minutes of the May 11, 2017 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 Trustee Hawk, 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 May, 2017 was presented. Following review and discussion, the Routine Claims Report for the period of May, 2017, as prepared by staff, was received by the Executive Committee.

Old Business

Kenneth Remo – Non-Occupational Disability Request for Reduced Repayment Amount

Kenneth Remo is currently receiving a non-occupational disability benefit from SERS.

Mr. Remo was approved for a retroactive Social Security disability benefit. The retroactive benefit created an overpayment with SERS totaling \$4,920.00 for the pay period of December 1, 2016 through January 31, 2017.

Mr. Remo is appealing the monthly amount that was agreed upon in a telephone conversation to SERS. By paying the \$250.00 per month, SERS will recoup the overpaid benefit in less than 19 months. He is appealing to reduce the monthly payment to \$150.00 per month in which the overpayment will be paid in 29 months.

This appeal was deferred at the May, 2017 meeting to determine if Mr. Remo would prefer to retire as his pension amount would be larger than his non-occupational disability benefit.

Mr. Remo does not want to retire at this time. His intention is to return to work once approved by his doctor. Mr. Remo would like to pursue his appeal to reduce the monthly repayment to \$150.00 per month.

Following some discussion and review of the case, a motion was made by Chairman Iglarsh to approve Mr. Remo's request to reduce his monthly repayment amount. The motion was seconded by Trustee Hawk and all were in favor.

Paul Pryor – Non-Occupational Disability Request for Longer Repayment Period

Paul Pryor is currently receiving a non-occupational disability benefit from SERS.

With the assistance of Midwest Disability, Mr. Pryor was approved for a retroactive Social Security disability benefit. The retroactive benefit created an overpayment with SERS totaling \$56,640.00 for the period of April 1, 2014 through November 30, 2016.

Mr. Pryor entered into a contractual agreement to send SERS \$40,000.00 and enter into a monthly payment plan of \$280.00 per month. Mr. Pryor did send the \$40,000.00 reducing the overpayment to \$16,640.00.

Mr. Pryor is appealing for a longer repayment period. His current amount of \$280.00 per month will repay the overpayment within the 60 month guideline.

This appeal was deferred at the May, 2017 meeting to determine if Mr. Pryor would prefer to retire as his pension amount would be larger than his non-occupational disability benefit.

Mr. Pryor has requested a pension estimate and a pension application and intends to retire effective June 1, 2017. His pension is approximately \$2,161.90 per month. Mr. Pryor would still like to pursue the appeal for a longer repayment period.

Following a review of the file and some discussion, a motion was made by Executive Secretary Blair to deny Mr. Pryor's request for a longer repayment period. The motion was seconded by Chairman Iglarsh and all were in favor.

Vickie Adkins – Remand – Denial of Survivor Benefits

William Adkins, the husband of Vickie Adkins (the "Petitioner"), died in May, 1999, and a SERS non-occupational lump sum death benefit was paid to Petitioner.

In 2015, Petitioner sought to change her benefit election from a SERS non-occupational lump sum death benefit to a SERS survivor's annuity, and claimed she was never given the option between the two benefits.

SERS was initially unable to locate any paperwork regarding the Petitioner's application for the death benefit.

SERS denied Petitioner's appeal on May 12, 2016, and Petitioner filed for administrative review of the denial in circuit court. Subsequently SERS staff located Petitioner's file. The court remanded Petitioner's matter back for further consideration by SERS based on the newly found file.

A hearing on remand was held on May 11, 2017 with Petitioner and her attorney. To support Petitioner's request to reverse her selection of the death benefit, Petitioner testified at the hearing as to the circumstances surrounding her husband's death and to the fact that she had not been provided information concerning the SERS benefit distribution alternatives available to her. Part of Petitioner's testimony referred to certain documents marked as exhibits that were located in her husband's file. Based upon the exhibits tendered by the Petitioner and the testimony and statements provided during the hearing, it became clear that neither Petitioner nor her attorney had been provided with a complete set of the documents found in Petitioner's file. The reason for this error was unclear.

Petitioner's newly found file reflected, among other things, that: Petitioner received a May 12, 1999 letter from SERS at the address acknowledged by Petitioner at that time as Petitioner's home address, which explained the SERS benefit distribution alternatives and the difference between a SERS survivor's annuity and a SERS non-occupational lump sum death benefit, asked Petitioner to select and mark which of the two benefits she wanted to receive, and requested that she return the letter to SERS; Petitioner marked the death benefit as her selection in SERS' letter and signed it as of June 14, 1999; and Petitioner signed a SERS benefit application requesting the death benefit on June 11, 1999.

Based on a careful review of the evidence, Petitioner's testimony, statements of Petitioner's attorney and the records of SERS, a recommendation was provided by Attorney Emily Reid-Peterson that the Executive Committee reaffirm its prior decision to deny Petitioner's appeal. After reviewing the facts of the case and the recommendation presented by Attorney Reid-Peterson, a motion was made by Executive Secretary Blair to adopt recommendation No. 2017-4 and seconded by Chairman Iglarsh. Trustee Hawk abstained.

New Business

Michelle McAuliffe – Appeal to Remove Social Security Offset

Michelle McAuliffe began receiving a survivor annuity effective July 1, 2013, following the death of SERS member Joseph McAuliffe on June 8, 2013.

Ms. McAuliffe was receiving 50% of her husband's accrued pension until she turned 60 on January 16, 2017. In January, 2017, Ms. McAuliffe became eligible to receive a widow's benefit from Social Security in the amount of \$1,619.70. Half of this amount, \$809.50, was offset from the SERS survivor annuity. Ms. McAuliffe did not receive the widow's benefit from Social Security because she was earning more than the limit allowed from her own employment.

SSA advised that once Ms. McAuliffe turned 62 or retired, she would no longer be eligible for a widow's benefit.

Ms. McAuliffe retired from the Chicago Teacher's Pension Fund on January 5, 2017.

SERS removed the social security offset effective February 1, 2017.

Ms. McAuliffe is requesting the offset be removed effective January 1, 2017 so she can be paid the amount of \$809.50 that was offset in that month.

Following a review of the file and some discussion, a motion was made by Trustee Hawk to deny Ms. McAuliffe's request to remove the social security offset. Executive Secretary Blair seconded the motion and all were in favor.

Roge'a Mingo – Waiver of Survivor Benefit

Marian Jones was an active state employee who died on February 14, 2017. She was survived by two daughters. One of the surviving daughters, Roge'a Mingo, is 21 years old. The other daughter is 23 years old.

Ms. Mingo has not been a full time student. She is requesting to waive any possible future survivor benefits so a death benefit may be paid to the named beneficiaries as an active member death with no survivors.

Based on the facts of the case and the information submitted, a motion was made by Chairman Iglarsh to approve Ms. Mingo's request to waive her survivor benefit. The motion was seconded by Trustee Hawk and all were in favor.

Anthony Catezone – Non-Occupational Disability 90 Day Waiver

Anthony Catezone is appealing the denial of his disability application based on the 90 day rule. He was removed from payroll July 9, 2016. He returned to work August 22, 2016. His 90 days expired September 6, 2016. SERS mailed forms to the member and the agency on May 4, 2017. The application came in from the member May 17, 2017. The medical was received May 17, 2017.

Following a review of the file and some discussion, a motion was made by Chairman Iglarsh to approve Mr. Catezone's request for a 90 day waiver. The motion was seconded by Trustee Hawk and all were in favor.

Carol West – Request for Additional Service Credit

Carol West's half time was to cease April 30, 2017. Her file was transferred to the Service and Refunds Division to determine if there were any optional service credits available for her to purchase in order to be eligible for extended disability benefits.

The file went unnoticed, and a letter regarding 4.25 months of optional service credit was sent to Ms. West after her benefit had ceased. During a telephone conversation with SERS on May 9, 2017 Ms. West indicated that she intended to purchase the optional service credit. Ms. West has since purchased the optional service credit and is requesting two additional months of disability benefits.

Based on a review of the case, a motion was made by Chairman Iglarsh to approve Ms. West's request for additional service credit. Trustee Hawk seconded the motion and all were in favor.

Bradley Brubaker – Occupational Disability 12 Month Waiver

Bradley Brubaker worked as a Steamfitter for the Department of Corrections. Mr. Brubaker is getting ready to retire and had no service credits for March or April of 2001. He was receiving workers' compensation at that time.

Mr. Brubaker does not know why he didn't apply for SERS occupational disability at the time in 2001. He is requesting that the 12 month filing period for occupational disability be waived.

After reviewing the facts of the case, a motion was made by Chairman Iglarsh to approve Mr. Brubaker's request to waive the 12 month filing limitation. The motion was seconded by Trustee Hawk and all were in favor.

Larry Griffiths – Appeal to Receive Pension April 1, 2017

Larry Griffiths retired reciprocally with the State Universities' Retirement System on April 1, 2017.

Prior to his retirement, he received a reciprocal estimate dated September 24, 2016 providing him with a retirement date of April 1, 2017 and a pension amount of \$312.90 payable from SERS. This estimate was incorrect however because he was not eligible at this date as he did not meet the Rule of 85.

His pension was calculated at a reduced rate of \$217.54 and deferred until age 55 on August 1, 2018.

Mr. Griffiths is requesting an unreduced pension effective April 1, 2017.

Following a review of the case and some discussion, a motion was made by Chairman Iglarsh to deny Mr. Griffiths' appeal to receive an unreduced pension effective April 1, 2017. Additionally, Mr. Griffiths would be notified that he could either retire effective April 1, 2017 with a reduced pension or wait until he meets the Rule of 85 and receive an unreduced pension. The motion was seconded by Trustee Hawk and all were in favor.

Donmonique Brown – Appeal Denial of Non-Occupational Disability

Donmonique Brown works as a Correctional Officer for IDOC. She last worked on January 13, 2017. She began a medical leave of absence on January 14, 2017 due to medical issues.

Ms. Brown's claim was sent to a SERS medical consultant for review. Per the consultant, it was determined that Ms. Brown has the ability to perform her job duties.

Ms. Brown is requesting that the Executive Committee appeal the denial of her non-occupational disability application.

After reviewing the facts of the case, the Executive Committee agreed to defer the case until more information is received about Ms. Brown's job duty requirements and a reevaluation is done by a SERS medical consultant.

Ann O'Donnell – Non-Occupational Disability 90 day Waiver

Ann O'Donnell works as an Activity Therapist for the Illinois Department of Human Services. She stopped working on January 20, 2017 and began a medical leave of absence on January 23, 2017 due to medical issues. She has not returned to work.

Ms. O'Donnell requested a non-occupational disability packet on May 17, 2017, four months past her approved medical leave of absence. Because she did not apply within 90 days of her medical LOA, her disability application has been denied.

Ms. O'Donnell states that she was unaware that she needed to apply for a non-occupational disability benefit, as she has never been on a leave of absence for this length of time and is requesting that the Executive Committee waive the 90 day filing limitation.

Based on review of the case, a motion was made by Chairman Iglarsh to approve Ms. O'Donnell's request to waive the 90 day filing limitation. The motion was seconded by Trustee Hawk and all were in favor.

Karen Allaway – Non-Occupational Disability 90 Day Waiver

Karen Allaway was removed from payroll February 6, 2017. Her 90 days expired May 6, 2017. The application came in from Ms. Allaway May 17, 2017. SERS sent agency forms March 9, 2017. The medical was received June 1, 2017. Ms. Allaway returned to work June 1, 2017.

Ms. Allaway is requesting that the Executive Committee waive the 90 day filing limitation.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Allaway's request to waive the 90 day filing limitation. The motion was seconded by Trustee Hawk and all were in favor.

Policy – Repayment of the ARCP for Individuals Enrolled in Reciprocal Retirement Systems

Jeff Houch presented the Repayment of the ARCP for Individuals Enrolled in Reciprocal Retirement Systems policy to the Executive Committee. After some discussion, a motion

was made by Trustee Hawk to adopt the policy. The motion was seconded by Chairman Iglarsh and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:15 a.m.

The next meeting of the Executive Committee is scheduled for July 13, 2017, in the Springfield office, with video conferencing in Chicago.

Loren Iglarsh, Chairman

Jeremy Tad Hawk, Trustee

Timothy Blair, Executive Secretary