

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
March 12, 2015

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, March 12, 2015 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members Present:

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

Others Present:

Steve Bochenek, Attorney
Kathy Yemm, Claims Manager
Don Williams, Supervisor, Disability Section
Kerry Walker, Disability Section
Michael Noblet, Supervisor, Pension & Death Section
Cory Mitchell, Pension and Death Section
Mary Ray (claimant's survivor)
Reverend Dr. Blythe Denham Keiffer (Mary Ray's pastor)
Eric Gregg (Claimant)
David Morris, SERS Board Trustee
Jennifer Staley, Recording Secretary

Minutes of the Previous Meeting

The minutes of the February 5, 2015 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 Laidlaw and 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 February, 2015 was presented. Following review and discussion, the Routine Claims and Denials Report for the period of January, 2015, as prepared by staff, was reviewed by the Executive Committee. There being no additions or corrections, on motion by Vice Chairperson Laidlaw and seconded by Executive Secretary Blair, and by unanimous vote, the Routine Claims and Denials Report was approved as submitted.

Old Business

Peter Paluzzi – Reappeal of Overpayment

Peter Paluzzi works as a Highway Maintainer for the Department of Transportation, District 2. He last worked on February 13, 2008. Mr. Paluzzi has an overpayment that he appealed to the Executive Committee on October 7, 2014. His appeal was denied.

Peter Paluzzi, with the help of his attorney Francine White, reappealed the claimed overpayment of benefits. After hearing the basis of their appeal, the case was referred to SERS' attorney, Steve Bochenek, for a recommendation.

The appeal was approved based on statutory laws and the error beyond the 3 year time limit. Executive Secretary Blair made a motion to approve the reappeal of the denial of benefits, seconded by Vice Chairperson Laidlaw. All were in favor.

Leonard Kolesar - Denial Survivor Benefits – Request for Re-appeal - Recommendation

Simeon Fleming retired effective March 3, 2005 at which time he did not have a qualified survivor. He was paid a refund of widow survivor contributions on April 22, 2005 totaling \$3,302.80. He entered into a civil union with Leonard Kolesar on June 8, 2011. Mr. Kolesar asserts that Simeon was advised that if they joined in the civil union, Mr. Kolesar would be eligible for a monthly benefit, but they were not aware that the widow survivor contributions needed to be repaid. Mr. Kolesar was sent a survivor application packet in error on October 21, 2014. When the error was discovered, he was sent a letter dated November 5, 2014 explaining the situation and denying survivor benefits.

At the December 11, 2014 Executive Committee meeting, the case was reviewed. Mr. Kolesar was asking that in order to receive monthly benefits as a survivor he be allowed to repay the widow/survivor refund from monthly benefits to be paid by the System.

After some discussion and based on the statutory language regarding the repayment of the refund, Executive Secretary Blair motioned to deny the appeal of Mr. Fleming, seconded by Vice Chairperson Laidaw. All were in favor.

At the January 8, 2015 Executive Committee meeting, the supervisor of the Pension Section stated that Mr. Kolesar is requesting that he be allowed to have a personal appeal of the previous denial of survivor benefits.

After some discussion, Executive Secretary Blair made a motion that we allow Mr. Kolesar's re-appeal of the denial of benefits for the February 2015 meeting, seconded by Chairman Iglarsh. All were in favor.

Mr. Kolesar was present at the February 5, 2015 meeting to reappeal the denial of benefits. After hearing the basis of his appeal, the case was referred to SERS' attorney, Steve Bochenek, for a recommendation to be presented at the March 12, 2015 meeting.

At the March 12, 2015 meeting Attorney Bochenek presented a recommendation, No.2015-03. The Committee recommends that the appeal of Leonard Kolesar, be denied. Motion to approve the denial was made by Executive Secretary Blair, seconded by Vice Chairperson Laidlaw. All were in favor

Shontell Mitchell – Review Repayment Plan

Shontell Mitchell was receiving disability benefits from the State Employees' Retirement System. While on disability her agency discovered that she was working outside the State of Illinois; however, Ms. Mitchell was signing certification statements from SERS that she was not working, resulting in an overpayment of approximately \$40,000. Criminal charges were filed against Shontell Mitchell. Member's attorney called SERS asking for a repayment plan with member paying some money up front. Upon the advice of the Executive Committee, SERS will follow-up with the State Attorney's Office on this case and continue the collection of the overpayment without a repayment agreement.

New Business

Christina Urban – Nonoccupational Disability – 90 Day Waiver

Christina Urban is appealing the denial of her right to file for a nonoccupational disability claim based on the 90 day rule. She last worked on December 19, 2008 and was removed from the payroll on February 15, 2009. She returned to work on March 17, 2009. Her 90 day filing period expired May 15, 2009. SERS received notification from the member's agency on February 5, 2015. Member completed her application for nonoccupational disability benefits on the internet for the 2008/2009 period at the same time she completed her application for nonoccupational disability benefits for the 2015 time period. Member was unaware of her right to file for nonoccupational disability benefits when she was off work for the birth of her first child. She did not learn of this until going on a medical leave for the birth of her second child, for which she received a first and final pay check. She is now pursuing the right to file for nonoccupational disability benefits for the 2008/2009 time period and wishes for the Executive Committee to waive the 90 day period.

After some discussion, Chairman Iglarsh moved for approval of the removal of the 90 day waiver, seconded by Vice Chairperson Laidlaw. All were in favor.

Burgos Jimenez – Occupational 12 Month Waiver

Burgos Jimenez works as a Juvenile Justice Specialist for the Department of Juvenile Justice. She last worked on October 3, 2013. She was on a medical leave of absence from March 19, 2013 through July 2013 and again from October 2013 through April 2014.

Ms. Jimenez has requested a written appeal to the Executive Committee so that the 12 month filing limitation can be waived for the time period of March 19, 2013 through April 6, 2014. She received TTD benefits during this time period.

After some discussion, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Lenora Rogers - Occupational 12 Month Waiver

Lenora Rogers worked as a Mental Health Tech II for Ludeman Developmental Center and the Department of Human Services. She was injured at work on November 20, 2011. She last worked on April 19, 2012, but was still on the payroll until April 20, 2013. Ms. Rogers is trying to receive occupational disability benefits for the time period of April 21, 2013 to the present. She has been paid TTD from IWCC since April 21, 2013 for the same injury. Lenora Rogers is appealing the filing after one year denial rule and believes she should be paid from April 21, 2013 to the present for the 2011 job related injury.

After some discussion, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Patricia Hopper – Occupational 12 Month Waiver

Patricia Hopper works as an Engineering Tech for IDOT. She last worked on July 15, 2010. She began a medical leave of absence on October 9, 2010 due to an injury.

Ms. Hopper has requested a written appeal to the Executive Committee so that the 12 month filing limitation can be waived. She was paid TTD for this time period (October 27, 2010 through August 21, 2014.)

After some discussion, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Rickey Coleman - Occupational 12 Month Waiver

Rickey Coleman worked as a Leisure Activity Specialist for Juvenile Justice. He last worked on May 23, 2012. He began a medical leave of absence on June 2, 2013 due to an injury.

He has requested a written appeal to the Executive Committee so that the 12 month filing limitation can be waived. He was paid TTD for this time period (September 1, 2013 to the present).

After some discussion, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Nona Adams - Nonoccupational 90 Day Waiver

Nona Adams is appealing the denial of her right to file for a nonoccupational disability claim based on the 90 day rule. She last worked on July 1, 2014 and was removed from the payroll on July 15, 2014. Her 90 day filing period expired October 12, 2014. SERS received notification from the member's agency on December 30, 2014. Member completed her application for nonoccupational disability benefits on December 23, 2014. Ms. Adams sent her forms to SERS on December 26, 2014 and medical records were both requested and received for that time period. Member was unaware in July of 2014 of her right to file for a nonoccupational disability benefit. She is now pursuing the right to file for a nonoccupational disability benefit for the July 2, 2014 to present time period and wishes for the Executive Committee to waive the 90 day period.

After some discussion, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Lakeysha Harris - Occupational 12 Month Waiver

Lakeysha Harris works as a Corrections Senior Parole Agent for IDOC Administration and was recently awarded occupational benefits for a work related injury occurring December 25, 2012. She was at that time made aware of her rights to apply for occupational disability benefits through SERS and wishes to pursue filing for occupational benefits for past time periods.

On the first previous leave of absence, her last day worked was February 3, 2003 and she began a service connected leave of absence on that same day due to injuries from a motor vehicle accident occurring that day. She returned to work on March 11, 2003.

On the second previous leave of absence, her last day worked was May 7, 2008 and she began a service connected leave of absence on that same day due to an injury as a result of a motor vehicle accident occurring that day. She returned to work on July 15, 2008.

Lakeysha Harris is appealing the one year filing limitation for both of the above mentioned time periods, as she was unaware that she could receive these benefits.

After reviewing the facts of the case, Chairman Iglarsh moved for approval of the appeal of the 12 month filing limitation, seconded by Vice Chairperson Laidlaw. All were in favor.

Karen Dillon – Pension – Repayment of Survivor Contribution Refund

When Karen A. Dillon retired January 1, 2007 she was paid a survivor contribution refund because she did not have an eligible survivor at that time. Subsequent to her retirement and before her death on October 25, 2014 she entered into a civil union. Her surviving spouse, Mary Ray, is asking to be allowed to repay the survivor contribution refund because Karen A. Dillon was never notified after Illinois amended the law to recognize civil unions that she could repay and qualify her spouse.

Mary Ray attended the March 12, 2015 Executive Committee meeting to state her situation. After hearing the basis of her appeal, the Committee referred the case to SERS' attorney, Stephen Bochenek, for a recommendation.

Mary Casper – Pension – Waiver of Overpayment

Mary Casper retired July 31, 2013 and her pension payments were effective August 1, 2013. Ms. Casper's pension was erroneously computed using her final rate of pay instead of her final average compensation. Because she did not have 20 years in the alternative formula, she did not qualify for use of her final rate. As a result of the error, she has been overpaid in the net amount of \$5,145.56. Ms. Casper is asking the Committee to waive the overpayment.

After discussing the facts of the case, a motion was made by Executive Secretary Blair to deny the waiver of the overpayment, seconded by Vice Chairperson Laidlaw. All were in favor.

Katherine House – Pension – Reciprocal Retirement

Katherine House retired January 1, 2015. She did not choose reciprocity on her pension application. Ms. House is asking to have her pension calculated reciprocally with Cook County.

After some discussion, a motion was made by Vice Chairperson Laidlaw to approve the request to have her pension calculated reciprocally, seconded by Chairman Iglarsh. All were in favor.

Audrey Lazarus – Pension – Disclaimer of Benefits

Audrey Lazarus is a retired member who died January 31, 2015. Her two sisters are named as beneficiaries; one is an English citizen and the other is a Canadian citizen. They are disclaiming benefits so that the \$500.00 lump sum death benefit can be paid to the member's estate via a small estate affidavit. They have both executed duly signed and notarized disclaimers.

After some discussion, a motion was made by Chairman Iglarsh to allow the disclaimer of benefits, seconded by Vice Chairperson Laidlaw. All were in favor.

Lloyd Lyons – Pension – Payment to Secondary Beneficiaries

Active member Lloyd Lyons was murdered by his spouse, Melody Lyons, on June 8, 2012. Melody was convicted on February 27, 2015. Melody Lyons is listed as beneficiary #1; beneficiary 2's are listed as Mary Lyons, mother, and Sherri Schnetz, sister.

Prior direction from Steve Bochenek was to wait to see if spouse was actually convicted before we consider paying the #2 beneficiaries. Now that the spouse has been convicted, we are asking for direction and approval for payment to the #2 beneficiaries (mother and sister).

After discussing the case, Attorney Bochenek suggested SERS send a notice to Melody Lyons and her attorney giving Ms. Lyons 30 days to appeal the decision, and then allow payment to beneficiaries #2.

Bhikkhu Mahinda – Pension – Refund of Social Security Offset Removal

Bhikkhu Mahinda began receiving a retirement annuity effective January 1, 2003. In 2009, Mr. Mahinda signed the election form to reduce his pension by 3.825% for the Social Security offset removal. Mr. Mahinda appealed to the Executive Committee at their March, 2014 meeting to have the social security offset removal removed from his pension as his wife was a teacher and did not pay into Social Security. Due to the Government Pension Offset, she is not eligible to receive any money from Social Security as a widow, making the social security offset removal unnecessary. The Committee approved his appeal.

Mr. Mahinda is now asking for a refund of the money deducted from his pension for the social security offset removal.

After discussing the case, a motion was made by Executive Secretary Blair to deny Mr. Mahinda's request for a refund of payments made, seconded by Chairman Iglarsh. All were in favor.

Deborah Farris – Service & Refund – Reinstatement of Account

This account became eligible for a write-off in June, 2006. Contributions in the amount of \$6,369.70, widow and survivors in the amount of \$794.95 and 155 months of creditable service were written off on June 23, 2006. Mr. Farris' power of attorney, Patricia Lou Pafundi, has contacted us regarding her account and eligibility for a pension.

The Service & Refunds Division is requesting the Executive Committee to approve the reinstatement of this account so that a pension may be paid. After discussing the case, a motion was made by Executive Secretary Blair to approve reinstatement of the account, seconded by Chairman Iglarsh. All were in favor.

Eric Gregg – Service & Refund – Appeal of Irrevocable Declaration

Eric E. Gregg is requesting a personal appeal before the Executive Committee. He is asking that he be allowed to revoke the "Irrevocable Declaration to Accept or Reject Participation in the State Employees' Retirement System" form that he completed on May 2, 2013. Mr. Gregg applied for and received an Alternative Retirement Cancellation Payment (ARCP) on October 6, 2004.

After hearing the facts of the case, a motion was made by Chairman Iglarsh to approve the appeal to revoke the Irrevocable Declaration, seconded by Vice Chairperson Laidlaw. All were in favor.

Dianna Barrows – Salary Reported as Overtime and no TW Granted

Dianna Barrows' case was heard and resolved at an earlier Executive Committee meeting in 2014 and was put on the agenda in error. No action necessary on this case.

There being no further business to be brought before the Committee, the meeting was adjourned at 11:00 a.m.

The next meeting of the Executive Committee is scheduled for Thursday, April 16, in the Springfield office, with video conferencing in Chicago.

Loren Iglarsh
Chairman

Lori Laidlaw
Vice Chairperson

Timothy Blair
Executive Secretary