

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
October 13, 2016

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, October 13, 2016 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members:

Loren Iglarsh, Chairperson
David Morris, Vice Chairperson
Timothy Blair, Executive Secretary

Others Present:

Steve Bochenek, SERS Attorney
Jeff Houch, Assistant Executive Secretary
Kathy Yemm, Claims Manager
Don Williams, Supervisor, Disability Section
Cory Mitchell, Pension and Death Section
Amy Gilmore, Claimant
 Gabe Casey, claimant's atty.
 Marnie Lindsay, claimant's friend
Brenda Welch, Claimant
Jennifer Staley, Recording Secretary

Minutes of the Previous Meeting

The minutes of the September 8, 2016 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 Morris 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 September, 2016 was presented. Following review and discussion, the Routine Claims and Denials Report for the period of September, 2016, as prepared by staff, was reviewed and received by the Executive Committee.

Old Business

None

New Business

Chris Bron – Appeal to waive overpayment

(Chris Bron cancelled to retain attorney)

Amy Gilmore – Exceeded gainful employment

Ms. Gilmore had exceeded the gainful employment limitation on two prior occasions. Ms. Gilmore's benefits were previously suspended due to exceeding the employment limitation, which she appealed. The Executive Committee approved her appeal on both occasions and her occupational benefits were reinstated.

Ms. Gilmore has now exceeded the 3rd quarter of 2015 by \$44.44. Her benefits were suspended retroactively to September 30, 2015, resulting in an overpayment of \$25,867.45. In the 4th quarter of 2015, Ms. Gilmore earned \$2,476.91 and, therefore, did not exceed the earnings limitation for this quarter.

Through Ms. Gilmore's attorney, Gabe Casey, she is requesting a personal appeal to the Executive Committee for a retroactive reversal of the termination of benefits and by doing so, eliminate the \$25,867.45 overpayment.

The committee discussed the case and Chairman Iglarsh made a motion to waive the retroactive reversal of the termination of benefits, seconded by Vice Chairperson Morris. All were in favor. Ms. Gilmore was told she would have to monitor her new job more closely, as to avoid this happening again. She still owes the \$44.44, which will be deducted from her benefits when reinstated retroactively.

Brenda Welch – Request to waive survivor contribution refund

Brenda Welch retired December 1, 2012. Ms. Welch was not married, but elected to waive the survivor contribution refund.

Ms. Welch returned to state employment on November 20, 2015. She is re-retiring effective August 1, 2016. She is not married and does not intend to get married within the next couple of months. Ms. Welch is asking to once again waive her survivor contribution refund. She understands that her choice to waive the refund is irrevocable.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Welch's waiver of the survivor contribution refund, seconded by Vice Chairman Morris. All were in favor.

Normajeane Norris Brantley – Reduce payment of overpayment

Normajeane Brantley received social security disability retroactive to November 1, 2013, resulting in an overpayment of \$37,128.00. Ms. Brantley only received \$8,297.00 from Social Security because she had a previous overpayment with Social Security due to working and receiving a disability benefit at the same time.

Ms. Brantley's balance on her overpayment is \$36,331.82. She received numerous letters from the Vouchering Section concerning repayment of her overpayment. She was not cooperative and the Vouchering Section started garnishing her entire pension payment to collect the overpayment.

A 60 months payment plan would be \$605.53 per month. Ms. Brantley is asking her monthly payment be reduced to \$150.00 a month. At that rate it would take 243 months, or 20.25 years, to pay back. Ms. Brantley is currently 67 years old and retired.

After discussing the case, a motion was made by Executive Secretary Blair to deny Ms. Brantley's request to reduce her overpayment, seconded by Vice Chairperson Morris. All were in favor. There was discussion that the repayment plan should be one allowing for repayment of the overpayment in five years, per system policy.

Iris Hernandez – Temporary Disability

Iris Hernandez works as a Mental Health Tech III for DHS. She last worked on February 27, 2014 and began a medical leave of absence on February 28, 2014.

Ms. Hernandez was sent to an independent medical exam on August 25, 2016 and was found capable of performing her job duties. Member's benefits are pending suspension until final review. Ms. Hernandez wishes to appeal the decision of denial of temporary benefits.

After some discussion, a motion was made by Executive Blair to deny Ms. Hernandez' request to appeal the denial of benefits, seconded by Vice Chairperson Morris. All were in favor.

Linda Parisi – Occ Dis – 12 month filing period

Linda Parisi works as a Correction Nurse II for Stateville Correctional Center. She last worked on January 7, 2014. She began a service connected leave on January 16, 2014.

She has requested an appeal to the Executive Committee so that the 12 month filing limitation can be waived.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Parisi's request to waive the 12 month filing limitation, seconded by Vice Chairperson Morris. All were in favor.

John Nakashain – Occ Dis – 12 month filing period

John Nakashain currently works for Tollway. He worked as a highway maintainer (snow bird) for IDOT in 2008 and was injured on the job. He last worked on March 28, 2008 and was dismissed on March 29, 2008 due to the end of the season.

He has requested an appeal to the Executive Committee to have the 12 month filing limitation waived.

After discussing the case, a motion was made by Chairman Iglarsh to approve Mr. Nakashain's request to waive the 12 month filing limitation, seconded by Executive Secretary Blair. All were in favor. Mr. Nakashain will be paid from December, 2008 thru March, 2009.

Maricela Mendoza – Nonocc – Waive 90 day filing period

Maricela Mendoza works as a caseworker for the Department of Human Services. She last worked on April 5, 2016. She began a medical leave of absence on April 7, 2016.

She has requested a written appeal to the Executive Committee to have the 90 day filing limitation waived.

After some discussion a motion was made by Chairman Iglarsh to approve Ms. Mendoza's request to waive the 90 day filing limitation, seconded by Vice Chairperson Morris. All were in favor.

Anthony Catezone – Nonocc – Waive 90 day filing period

Anthony Catezone works as a Buyer for Tollway. He last worked on December 23, 2010 and began a medical leave of absence on February 15, 2011.

He has requested an appeal to the Executive Committee so that the 90 day filing limitation can be waived.

After some discussion, a motion was made by Chairman Iglarsh to approve Mr. Catezone's request to waive the 90 day filing limitation, seconded by Vice Chairperson Morris. All were in favor.

Gladys Kutzora – Temp Dis – 90 day waiver

Gladys Kutzora works as a teletype operator for the Secretary of State. She last worked on May 18, 2014 and began a medical leave of absence on May 19, 2014.

Ms. Kutzora has requested a written appeal to the Executive Committee to have the 90 day filing limitation waived. Medical information has been obtained.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Kutzora's request to waive the 90 day filing limitation, seconded by Vice Chairperson Morris. All were in favor.

Randi Lovett – Nonocc – 90 day waiver

Randi Lovett works as an operations associate for the Secretary of State. Ms. Lovett last worked on March 31, 2016 and began a medical leave of absence on April 4, 2016. She returned to work on May 27, 2016.

Ms. Lovett has requested a written appeal to the Executive Committee to have the 90 day filing limitation waived.

After some discussion, a motion was made by Chairman Iglarsh to approve Ms. Lovett's request to waive the 90 day filing limitation, seconded by Executive Secretary Blair. All were in favor.

Winifred Thomas – Appeal to receive survivor contribution refund

Winifred Thomas retired effective June 1, 2009. On her retirement application she listed her 30 year old daughter as a physically disabled dependent child and, therefore, was not issued a survivor contribution refund.

Ms. Thomas is asking for the survivor contribution refund. She states her daughter was dependent upon her when she completed her retirement application on May 18, 2009, but not dependent when she retired on June 1, 2009.

After reviewing the case, a recommendation was made by Chairman Iglarsh to approve Ms. Thomas' request to receive the survivor contribution refund, seconded by Vice Chairperson Morris. All were in favor.

Kathleen Hawkes – Return of optional service purchase

Ms. Hawkes is requesting a written appeal with the Executive Committee. She is asking for the return of payment that she paid for a short period of employment. Ms. Hawkes initiated the request to establish creditable service for the short period of employment thinking it would make her a Tier 1 member.

After some discussion, a motion was made by Executive Secretary Blair to deny Ms. Hawkes' request for return of payment paid for her short period of time, seconded by Vice Chairperson Morris. All were in favor.

Policy - Acceptance of electronic signatures

The Electronic Commerce Security Act (5 ILS 175/1-101 et seq.) authorizes State and local government agencies to accept signatures, required data, and documents in electronic format and provides that where a rule of law requires information to be “written” or “in writing”, or requires a signature, an electronic record satisfies that rule of law. This applies to all forms required and received, including but not limited to, application for benefits, direct deposit forms, and beneficiary designation forms.

After some discussion, a motion was made by Chairman Iglarsh to accept electronic signatures of application for benefits, direct deposit forms, and beneficiary designation forms. The motion was seconded by Vice Chairperson Morris. All were in favor.

The policy change will need to be reflected in the procedure manuals.

Policy –Write-off policy for death benefits

The Pension and Death Claims Section would like to implement a policy where funds are moved to the “employer reserve” when a beneficiary still cannot be located five years after the notification of the member’s death. As we no longer have a purge data base, the member’s information will not be removed from the system so we are still able to identify the member if a beneficiary contacts us; however, having the money transferred will help the Pension and Death Section with reducing the exception reports.

After some discussion, a motion was made by Chairman Iglarsh to implement a policy whereby funds are moved to the “employer reserve” when a beneficiary cannot be located five years after the notification of member’s death. This motion was seconded by Vice Chairperson Morris. All were in favor.

Add on:

Michael Irwin – Opinion needed regarding military service purchase

Michael Irwin contacted our office on June 18, 2016 about purchasing additional military service credit in order to retire. From his record, it appeared that he was on the payroll in June, 2016. He subsequently purchased 15 months of military credit. We have since discovered that he was last paid in February, 2016. Mr. Irwin was on an administrative leave from September 17, 2015 through February 6, 2016 and suspended pending judicial verdict effective February 6, 2016.

Mr. Irwin resigned effective August 2, 2016. He purchased 1 month of service credit from his paid sick and vacation days. He has applied for a pension to be effective September 1, 2016. Mr. Irwin has 25 years and .25 month of service credit in the alternative formula and is 50 years old.

If he was eligible to purchase military service, his pension could begin immediately. If he was not eligible to purchase military service, he would not be eligible for a pension until March 1, 2021 (at a rate approximately \$240 less per month).

The Claims Division is seeking guidance as to whether the member was eligible to purchase military service while on a suspension.

After discussing the issue, the case was referred to SERS' attorney, Steve Bochenek, to review in further detail. Direction was given to the Pension Section to pay Mr. Irwin his pension benefit as he was allowed to purchase the military service.

There being no further business to be brought before the Committee, the meeting was adjourned at 12:35 p.m.

The next meeting of the Executive Committee is scheduled for November 10, 2016, in the Springfield office, with video conferencing in Chicago.

Loren Iglarsh, Chairman

David Morris, Vice Chairperson

Timothy Blair, Executive Secretary