

**MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS**

October 11, 2018

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, October 11, 2018 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members:

Loren Iglarsh, Chairman
Tad Hawk, SERS Board Member representing Vice-Chairperson Morris
Timothy Blair, Executive Secretary

Others Present:

Jeff Houch, Assistant Executive Secretary
Steve Bochenek, SERS Attorney
Kathy Yemm, Manager, Claims Division Manager
Cory Mitchelle, Acting Supervisor, Pension and Death Section
Karen Brown, Supervisor, Disability Section
Casey Evans, Internal Auditor
Becky Glazier, Recording Secretary
Angela Chaudoin, Claimant
Dana Chaudoin, Claimant's spouse

Minutes of the Previous Meeting

The minutes of the September 13, 2018 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 Member 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 September 2018 was presented. Following review and discussion, the Routine Claims Report for the period of September 2018, as prepared by staff, was received by the Executive Committee.

Old Business

Cynthia Janzen-Sanchez – Request for Re-Appeal

Cynthia Janzen-Sanchez is requesting a re-appeal of the Board of Trustee's July 24, 2018 decision. If approved she would like to re-appeal in person at a later date.

After review and discussion, Chairman Iglarsh moved to deny the request for a re-appeal. Executive Secretary Blair seconded the motion, which passed by unanimous vote.

New Business

Sonja Carrigan – Appeal to Receive Retroactive Pension -- Personal Hearing

Sonja Carrigan began receiving a non-occupational disability benefit effective April 23, 2014. The original gross amount of the benefit was \$1,793.50. She was approved for a Social Security disability award which reduced her benefit to a gross amount of \$347.50. As of August 31, 2018, Sonja has received SERS disability benefits totaling \$18,162.67.

Ms. Carrigan's sister and Power of Attorney, Genny DiStasio, is requesting that Ms. Carrigan be allowed to repay the disability benefits received and draw a retroactive pension benefit. The pension benefit would be in the approximate monthly gross amount of \$1,961.48.

Following a review of the information presented and some discussion, a motion was made by Member Hawk to approve Ms. Carrigan's appeal. The motion was seconded by Chairperson Iglarsh and all were in favor. Ms. Carrigan was present in the SERS office and was informed of the approval of her request and did not attend the meeting.

Angela Chaudoin – Appeal Suspension of Benefits; Personal Hearing

Mrs. Chaudoin has been on SERS non-occupational disability benefit since February 22, 2017. Shortly after the January Disability certification letters were sent, SERS received an anonymous tip that Mrs. Chaudoin had been operating a barber shop out of her home.

On July 3, 2018 our office sent the semi-annual Disability Certification letters. Mrs. Chaudoin returned her form in August 2018, indicating she had not worked, was not self-employed and had not worked or been self-employed at any time she was receiving a disability benefit from SERS.

An investigation into the business found that Mrs. Chaudoin has a professional license to cut hair and is advertising this business through Facebook. The business is currently operating under Mrs. Chaudoin's maiden name.

Based on supplying false information on her Disability Certification form, SERS suspended her benefits effective September 1, 2018.

Mrs. Chaudoin is requesting a personal hearing with the Executive Committee to appeal the suspension of her non-occupational disability benefits.

Mrs. Chaudoin and her husband Dana appeared to discuss the suspension of Mrs. Chaudoin's benefits. Following a review of the information presented and some discussion, Mrs. Chaudoin was asked to provide an amended Disability Certification letter and financial documentation of the business. Ms. Chaudoin's appeal is deferred until the income from the business can be documented and reviewed by the Committee.

Pamela Faivre – Reinstate Account

This account became eligible for write-off in June 2017. Contributions in the amount of \$22,191.93 and 246.75 months of creditable service were written off.

Ms. Faivre is eligible for a retirement annuity beginning October 1, 2018. She is requesting her account be reinstate so she can begin receiving her pension.

Following a review of the information presented and some discussion, a motion was made by Executive Secretary Blair to approve the request to reinstate her account. The motion was seconded by Member Hawk and all were in favor.

Solomon Maduko – Request to Receive Refund

Solomon Maduko retired July 1, 2018. His monthly gross pension benefit is \$1,882.56. This amount is then reduced by a QILDRO on file. The alternate payee receives a gross monthly amount of \$841.92.

Mr. Maduko would like to rescind his pension application and instead take a refund of his contributions.

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to deny Mr. Maduko's request to rescind his pension and take a refund of his contributions. The motion was seconded by member Hawk and all were in favor.

Mary Holtkamp – Request Waiver of 12 month Filing Limitation for Occupational Disability

Mary Holtkamp is appealing the denial of disability based on the one year filing rule. She was removed from payroll August 16, 2017. Her one year expired August 16, 2018. The notification came in from the member September 4, 2018. Her application was received September 18, 2018. SERS sent her agency their forms September 4, 2018. Her agency forms were received September 12, 2018. The medical was received September 4, 2018. She returned to work December 11, 2017.

The member's request was denied in accordance with Chapter 40 ILCS 5/14-123(a).

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to approve Ms. Holtkamp's request for a waiver. The motion was seconded by Executive Secretary Blair and all were in favor.

Cherie McConnell – Request Lower Repayment Amount

Mrs. McConnell was approved for a non-occupational benefit from SERS effective August 29, 2016.

Mrs. McConnell was approved for a retroactive Social Security disability benefit effective January 1, 2017. The retroactive benefit created an overpayment to SERS totaling \$24,001.00 from January 1, 2017 through July 31, 2018.

SERS sent the member a notification letter on August 29, 2018 that explains the calculation of the overpayment and what is due to SERS. Mrs. McConnell's non-occupational benefit ended October 1, 2018 due to half time cease of SERS benefits.

Mrs. McConnell is appealing the amount of the debt and the monthly amount quoted to repay the debt. To repay the debt in 5 years, she would be required to pay SERS \$400.00 per month. Per call to the member, she can only afford around \$200 per month.

Mrs. McConnell is not vested. Staff spoke to member about taking a refund. She is contacting the refund section to start the process and have it applied to her overpayment. She is also waiting to settle the work comp case and apply what is owed to the overpayment.

Following a review of the information presented and some discussion, the matter will be deferred to verify her worker's compensation case and determine if it is related to her non-occupational disability which may affect the outcome of the refund.

Julia Yancy – Request Lower Payment for ARCP

Ms. Yancy participated in the Alternative Retirement Cancellation Payment (ARCP) that was offered in 2004. This option allowed her to resign state employment and receive payment of double contributions with double interest. Ms. Yancy received \$27,751.14.

Public Act 93-0839 states that if an ARCP recipient returns to state employment, the member must repay the ARCP portion of the payout within 60 days of the return to state employment. Ms. Yancy's ARCP portion is \$15,709.29 (\$12,041.85 in contributions plus double the interest of \$3,667.44).

Ms. Yancy returned to state employment June 16, 2018. She was sent a letter on July 30, 2018 requesting repayment of the ARCP portion of \$15,709.29.

The current policy in place for repayment of ARCP is based on the amount owed. Ms. Yancy owes \$15,709.29 and therefore, her payment should be 20% of her gross salary not to exceed 5 years (60 months/120 pay periods). Her current gross monthly salary is \$4,758. The required payment would be \$951.60 a month or \$475.80 per pay period. Based upon this calculation, the overpayment would be repaid within 17 months.

Ms. Yancy is requesting a payment of \$400 per month which is \$200 per pay. This would repay the ARCP portion in 40 months.

Ms. Yancy is not eligible for a pension.

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to deny Ms. Yancy's request for a lower payment. The motion was seconded by Executive Secretary Blair and all were in favor.

Janet Brooks – Reinstate Account

This account became eligible for write-off in June, 2007. Contributions in the amount of \$20,182.61 and 163.75 months of creditable service were written off.

Ms. Brooks is eligible for a retirement annuity beginning February 1, 2015. She is requesting her account be reinstated so she can begin receiving her pension.

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to approve Ms. Brooks' request to reinstate her account. The motion was seconded by Member Hawk and all were in favor.

Scott Wiggs – Appeal to Retain 1404 after 90 Days

Scott Wiggs retired on September 1, 2018. His pension has not yet been paid.

Mr. Wiggs contacted SERS about participating in the COLA buyout. He is not eligible due to his retirement date of September 1, 2018.

Mr. Wiggs would like to defer his retirement until December 1, 2018 so he can participate in the COLA buyout. He is an alternative formula employee and is purchasing one month of service credit from his vacation days in order to be eligible to retire with 25 years of service. If he defers his pension until December 1, 2018, he will not be eligible to keep his 1.00 month of service credit because he would be separated for 91 days. In order to be eligible to retain this service credit, a member must be eligible to retire within 90 days of separation.

Mr. Wiggs is requesting to keep the 1.00 month service credit from his vacation days in order to defer his retirement until December 1, 2018 and participate in the COLA buyout.

Following a review of the information presented and some discussion, a motion was made by Member Hawk to approve Mr. Wiggs request and consider his date of withdrawal as September 2, 2018 due to his work schedule. The motion was seconded by Chairman Iglarsh and all were in favor.

Arianna Alexander – Appeal of Non-occupational Disability Denial

Arianna Alexander is appealing the denial of disability based on the 90 day filing rule. She has two claims. She was removed from payroll February 19, 2018. Her 90 days expired May 19, 2018. The notification came in the mail as an internet claim on July 31, 2018. SERS sent her agency forms July 31, 2018. Her application was received July 31, 2018. The medical was received August 1, 2018. She returned to work March 7, 2018.

She was then removed from payroll March 27, 2018. Her 90 days expired June 24, 2018. The notification came in the mail as an internet claim on July 31, 2018. SERS sent her agency forms July 31, 2018. Her application was received July 31, 2018. The medical was received August 1, 2018. She has not returned to work.

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to approve Ms. Alexander's appeal. The motion was seconded by Member Hawk and all were in favor.

Rhonda Walker – Appeal of Non-Occupational Disability Denial

Ms. Walker is appealing the denial of disability based on the 90 day filing rule. She was removed from payroll December 7, 2017. Her 90 days expired March 6, 2018. The notification came in from the agency January 22, 2018. SERS sent her forms January 22, 2018. Her application was received October 2, 2018. The medical was received May 3, 2018. She returned to work February 6, 2018.

Following a review of the information presented and some discussion, a motion was made by Chairman Iglarsh to approve Ms. Walker's appeal. The motion was seconded by Member Hawk and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 11:17 a.m.

The next meeting of the Executive Committee is scheduled for November 8, 2018, in the Springfield office with video conferencing in Chicago.

Loren Iglarsh, Chairman

Tad Hawk, SERS Board Member

Timothy Blair, Executive Secretary