

Illinois Employment Security Advisory Board  
Video/Teleconference Meeting  
September 21, 2023  
10:00 A.M.

**Board Attendees:**

WebEx/Phone: David Prosnitz  
Rick Terven  
Joanna Webb-Gauvin  
Christelle Khalaf  
John Easton  
Mark Denzler  
Jim Argionis  
Rob Karr  
John Gedney

With a quorum of the members present, the meeting was called to order by Chairman Argionis.

1. Introductions (Jim Argionis)

IDES continues to participate in media briefings, and to that extent, if you are a reporter or member of the media with a media request or question, please submit those to the Department's PIO, Rebecca Cisco. She can be reached at [Rebecca.Cisco@Illinois.gov](mailto:Rebecca.Cisco@Illinois.gov).

2. Minutes from Prior Meeting (Jim Argionis)

A motion was made to approve the minutes from the meeting on March 16, 2023. The motion was seconded, and the minutes were approved.

3. Nomination of Chairperson Pro-Tempore (Jim Argionis)

A motion was made to nominate John Easton as Chair Pro-Tempore for the next fiscal year. The motion was seconded and approved by the board.

4. Director's Comments (Ray Marchiori)

Good morning.

Thank you Chair Argionis and members of the board. Welcome to our quarterly Employment Security Advisory board meeting. We appreciate the opportunity to meet

today. I'd also like to extend a congratulations and a continued thanks to John Easton serving as Chair Pro-Tempore.

I'm joined today by my IDES colleagues, some of whom you will be hearing from shortly, including CFO Isaac Burrows and George Putnam, the Department's Director of Labor Market Information, to provide updates on financial, Trust Fund, and economic outlook activities.

I would like to take a few moments to provide an update regarding the Department's initiatives for continued claimant-focused improvements and equitable access to unemployment insurance (UI).

Last December, our Service Delivery team presented information to the Advisory Board about U.S. Department of Labor initiatives funded through the American Rescue Pandemic Act (ARPA). As you know, IDES has received grants to work on improvements related to detecting and preventing benefit misuse, increasing equitable access to UI, and providing timely benefits.

These grant activities are ongoing and committed to implementing improved data management, identifying inequities in the unemployment pipeline, and strategic organizational optimization in the service delivery and business services units. All these initiatives address the challenges encountered during the pandemic and how the Department can learn, adapt, and better improve services.

The Department is excited to be working with new technology to renovate the claimant application and provide an improved claimant portal experience for those who receive benefits.

Moving forward, the Department will continue to leverage and maximize federal grant funding opportunities when and where they're available to improve claimant, jobseeker, and employer services.

I thank you again for your time today and as always, I would like to express my deep appreciation of my IDES colleagues across the state and all of our partners here today for their hard work. With that, I'll hand it back over to Chair Argionis.

## 5. Trust Fund and Federal Budget Update (Isaac Burrows)

### Trust Fund Update

As reported at the last quarterly meeting in June, as a result of the outstanding Title XII advance, which was fully retired on January 25th of this year, the department has

incurred \$ 7,029,857.77 of accrued interest, which is due and payable on September 29. The department has received appropriation authority and is prepared to make the payment by September 29, 2023.

### Federal Budget Update

Also, as federal budget negotiations are underway, in the event of a short-term federal government shutdown, the department is prepared to continue operations during and through any continued resolutions, as we have done previously.

I'm happy to answer any questions.

### 6. Quarterly Financials Presentation (George Putnam)

The state's UTF account ended the 4th quarter of 2022 with a negative balance of - \$0.58B. As the projections provided today indicate, the account is expected to run a revenue surplus in 2023 and 2024 and a revenue deficit in the final two years. With regard to the final net trust fund balance, under the baseline projection, the 2023 year-end balance is projected to be a positive balance \$1.62B in 2023 and to close with a positive balance of \$0.60B in 2026 – the extent of the forecast horizon. These projections use current data and implement the portions of the agreed bill regarding taxable wage base increases, and the UTF target balance and solvency adjustment increases. They also include the \$450M interest-free loan to the UTF in 2023Q2 that will be repaid from the UTF over time. These projections do not include rest stops.

### 7. Open Discussion

Christelle Khalaf asked George Putnam whether he could estimate how long the period of below-average growth mentioned in his financial projections would last. George said that the horizon used under both the baseline and pessimistic scenarios is four years and so the expectation, shared by both the Federal Reserve and most economists, is that sluggish, below-trend growth would last at least until 2026.

Jim Argionis reminded Board members to complete the State mandated trainings which could be found online on each member's One Net account.

Christelle Khalaf referenced the Director's comments concerning equitable access to unemployment insurance, and asked whether there were any studies that were being conducted or if there were projects being done by the Department that could be shared with the Board. Director Marchiori replied that in 2022, Illinois was awarded a grant of \$6.8 million from the American Rescue Pandemic Act which was to be used toward expanding equitable access to UI. He stated that the work has been ongoing, led by Deputy Director of Service Delivery Mireya Hurtado and Assistant Deputy Director



JB Pritzker  
*Governor*

Raymond P. Marchiori  
*Acting Director*

Jennifer Philips, and they would provide details of the grant activities to the Board at the December meeting.

8. Adjournment

A motion was made to adjourn the meeting. The motion was seconded, and the meeting adjourned.