



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

JUDGES' RETIREMENT SYSTEM OF ILLINOIS

**COMPLIANCE EXAMINATION
For the Year Ended: June 30, 2010**

Release Date: April 14, 2011

Summary of Findings:

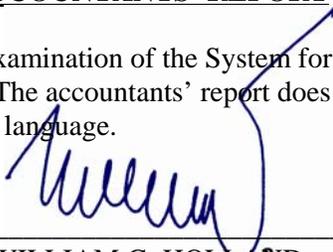
Total this audit:	0
Total last audit:	0
Repeated from last audit:	0

INTRODUCTION

This digest covers our compliance attestation examination of the Judges' Retirement System of Illinois (System) for the year ended June 30, 2010. A financial audit covering the year ended June 30, 2010 was previously released on March 3, 2011. It should be noted that, pursuant to the Illinois Pension Code, investments of the System are managed by the Illinois State Board of Investment. There were no report findings of noncompliance identified during our testing.

ACCOUNTANTS' REPORT

We conducted a compliance attestation examination of the System for the year ended June 30, 2010 as required by the Illinois State Auditing Act. The accountants' report does not contain any scope limitations, disclosures or other significant non-standard language.



WILLIAM G. HOLLAND
Auditor General

WGH:AKS

SPECIAL ASSISTANT AUDITORS

The public accounting firm of BKD LLP was our special assistant auditor for this engagement.

{Expenditures and Activity Measures are summarized on the reverse page.}

JUDGES' RETIREMENT SYSTEM OF ILLINOIS
COMPLIANCE EXAMINATION
For The Year Ended June 30, 2010

OPERATING STATEMENT ANALYSIS	FY 2010	FY 2009
ADDITIONS: Contributions - Participants.....	\$ 16,001,619	\$ 15,763,410
Contributions - Appropriations & Other.....	78,509,810	59,983,000
Total Contributions.....	<u>\$ 94,511,429</u>	<u>\$ 75,746,410</u>
Net Investment Income.....	10,876,343	12,235,805
Net appreciation (depreciation) in fair value of investments.....	31,522,768	(135,286,901)
Interest Earned on Cash Balances.....	133,207	334,625
Total Additions.....	<u>\$ 137,043,747</u>	<u>\$ (46,970,061)</u>
DEDUCTIONS: Benefits - Temporary Disability.....	\$ 139,775	\$ 81,674
Benefits - Retirement Annuities.....	73,439,970	68,876,522
Benefits - Survivors' Annuities.....	17,990,012	16,861,343
Total Benefits.....	<u>\$ 91,569,757</u>	<u>\$ 85,819,539</u>
Refunds.....	510,555	449,309
Administration.....	563,360	565,588
Total Deductions.....	<u>\$ 92,643,672</u>	<u>\$ 86,834,436</u>
Net Increase (Decrease).....	<u>\$ 44,400,075</u>	<u>\$ (133,804,497)</u>
ANALYSIS OF PLAN INVESTMENTS	June 30, 2010	June 30, 2009
Balance at beginning of year, at fair value.....	\$ 435,604,601	\$ 589,155,697
Net cash transferred from investments.....	28,459,810	(30,500,000)
Net investments (1).....	<u>\$ 464,064,411</u>	<u>\$ 558,655,697</u>
Investment income - interest, dividends and other.....	12,828,991	14,354,450
Investment expenses.....	(1,952,648)	(2,118,645)
Net investment income (2).....	<u>\$ 10,876,343</u>	<u>\$ 12,235,805</u>
Net realized gain (loss) on sale of investments.....	22,221,528	(67,405,800)
Net unrealized gain (loss) on investments.....	9,301,240	(67,881,101)
Net appreciation (depreciation) in fair value of investments (3).....	<u>\$ 31,522,768</u>	<u>\$ (135,286,901)</u>
Total net investment income (loss) (4), (2) + (3).....	<u>\$ 42,399,111</u>	<u>\$ (123,051,096)</u>
Balance at end of year, at fair value (1) + (4).....	<u>\$ 506,463,522</u>	<u>\$ 435,604,601</u>
INVESTMENTS USED FOR BENEFITS AND EXPENSES	FY 2010	FY 2009
CONTRIBUTIONS: Participants.....	\$ 16,001,619	\$ 15,763,410
Appropriations & other.....	78,509,810	59,983,000
Total Contributions (5).....	<u>\$ 94,511,429</u>	<u>\$ 75,746,410</u>
DEDUCTIONS: Benefits.....	\$ 91,569,757	\$ 85,819,539
Refunds.....	510,555	449,309
Administration.....	563,360	565,588
Total Deductions (6).....	<u>\$ 92,643,672</u>	<u>\$ 86,834,436</u>
Deductions in Excess of Contributions (Investments used to pay.....		
Benefits and Expenses) (5) - (6).....	<u>\$ -</u>	<u>\$ (11,088,026)</u>
Contributions in Excess of Deductions (5) - (6).....	<u>\$ 1,867,757</u>	<u>\$ -</u>
SUPPLEMENTARY INFORMATION	June 30, 2010	June 30, 2009
Number of System employees.....	6	6
Retirees and beneficiaries receiving benefits (unaudited).....	1,001	983
Total members (unaudited).....	986	991
Total active members (unaudited).....	966	968
Total return on investments (unaudited).....	9.1%	(20.1)%
EXECUTIVE SECRETARY		
During Engagement Period: Timothy Blair, Acting		
Currently: Timothy Blair		