

REPORT DIGEST

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1994

INTRODUCTION

This digest covers our compliance audit of the System for the two years ended June 30, 1994. A financial audit covering the year ending June 30, 1994 was previously issued.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

There were no material findings of noncompliance disclosed during our audit tests. We commend the System for maintaining effective fiscal controls.

WILLIAM G. HOLLAND, Auditor General
WGH:KMA:pp

SUMMARY OF AUDIT FINDINGS

<u>Number of This Audit</u>	<u>Prior Audit</u>
Audit findings	00
Repeated findings	00
Recommendations implemented or not repeated	02

SPECIAL ASSISTANT AUDITORS

McGladrey & Pullen were our special assistant auditors for this audit.

{Financial Information is summarized on the reverse page.}

**STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
 INFORMATION FROM FINANCIAL AND COMPLIANCE AUDITS
 TWO YEARS ENDED JUNE 30, 1994**

FINANCIAL OPERATIONS	FY 1994	FY 1993
REVENUES		
Contributions:		
Participants	\$128,481,556	\$120,041,823
Employing State agencies	118,298,761	102,441,787
State pension fund	9,351,200	11,971,810
Net investment income	181,634,285	178,295,366
Net realized gain on sale of investments	129,841,907	131,632,246
Other	<u>681,510</u>	<u>605,292</u>
Total Revenue	<u>\$568,289,219</u>	<u>\$544,988,324</u>
EXPENSES		
Benefits:		
Retirement annuities	\$268,772,969	\$256,666,173
Survivors' annuities	28,934,211	26,958,900
Disability benefits	19,708,185	17,893,919
Lump-sum death benefits	8,915,170	8,417,740
Refunds	11,387,459	11,668,602
Administration	5,142,813	4,803,625
Other	<u>23,652</u>	<u>340,522</u>
Total Expenses	<u>\$342,884,459</u>	<u>\$326,749,481</u>
SELECTED ACCOUNT BALANCES	JUNE 30, 1994	JUNE 30, 1993
Cash	\$9,590,906	\$13,750,680
Restricted cash for social security remittances	\$112,760	\$100,000
Receivables	\$9,125,040	\$7,755,870
Investments, at cost	\$3,703,548,563	\$3,477,072,371
Property and equipment, net of accumulated depreciation	\$4,485,387	\$4,834,164
Liabilities	\$4,971,496	\$7,026,685
Net Assets Available for Benefits	\$3,721,891,160	\$3,496,486,400
Actuarial Pension Obligation	\$6,502,121,427	\$6,044,465,371
Unfunded Pension Liability	\$2,780,230,267	\$2,547,978,971
SUPPLEMENTARY INFORMATION	FY 1994	FY 1993
Number of System employees	77	76
Number of retirees and beneficiaries currently receiving benefits	39,082	39,066
Inactive members not yet receiving benefits	2,793	2,652
Current Members:		
Vested	47,458	45,294
Nonvested	30,982	31,852

EXECUTIVE SECRETARY

During Audit Period: Michael L. Mory
 Currently: Michael L. Mory

