



One-On-One Counseling

The 2008 One-On-One counseling sessions will be held through August at the locations below. If you would like to schedule an appointment with Jayne Waldeck during a visit to your city, contact the Court Administrator at that specific location.

February 6 & 7

Michael A. Bilandic Building
160 North LaSalle, Suite N-725
Chicago 312-814-5853

March 10

Kane County Courthouse
St. Charles in the morning

March 10

DuPage County Courthouse
Wheaton in the afternoon

March 11

Lake County Courthouse
Waukegan in the morning

April 11

Vermillion County Courthouse
Danville in the morning

April 11

Coles County Courthouse
Charleston in the afternoon

April 18

Williamson County Courthouse
Marion in the morning

April 18

Jefferson County Courthouse
Mt. Vernon in the afternoon

June 12

Macon County Courthouse
Decatur in the morning

June 12

McLean County Courthouse
Bloomington in the afternoon

June 13

Peoria County Courthouse
Peoria in the morning

June 13

Tazewell County Courthouse
Pekin in the afternoon

July 9

Rock Island County Courthouse
Rock Island in the morning

July 9

Carroll County Courthouse
Mt. Carroll in the afternoon

July 10

Winnebago County Courthouse
Rockford in the morning

July 31

2nd Municipal District
Skokie 11:30 a.m. - 2:30 p.m.

August 1

4th Municipal District
Maywood 8:30 a.m. - 11 a.m.

August 28

LaSalle County Courthouse
Ottawa 11:30 a.m. - 2:30 p.m.

August 29

Will County Courthouse
Joliet in the morning

August 29

Kankakee County Courthouse
Kankakee in the afternoon

GARS Workshop

To help you start planning for your retirement years, we urge you to enroll in the Education for Tomorrow's Choices preretirement workshop.

This free, one-day workshop will be held in Chicago on June 6 at the Bilandic Building and features a certified financial planner to discuss money management and investment strategies.

Other speakers will cover Deferred Compensation, Social Security, insurance and GARS benefits.

Although retirement may be years in the future, this information will help you begin planning for a lifetime of financial security.

FY07 Financials

OPERATIONS

Total revenue includes participant and employer contributions as well as net income from investment activities. For fiscal year 2007, participant contributions totaled approximately \$1.7 million, a 14.2% increase from fiscal year 2006 participant contributions.

Employer contributions increased to approximately \$5.5 million in fiscal year 2007 from approximately \$4.2 million in fiscal year 2006. The increase was due to Public Act 94-0004, which was enacted into law on June 1, 2005. This legislation stipulated that state contributions for fiscal years 2007 and 2006 be based on specific dollar amounts rather than actuarial calculations.

Total expenses include benefit payments, refunds and administrative expenses. During fiscal year 2007, GARS paid out approximately \$15.0 million in benefits and refunds, an increase of 5.4% from fiscal year 2006. The System's total administrative expenses represented 1.4% and 2.1% of total expenses in 2007 and 2006 respectively.

INVESTMENTS

By State law, the System's investment function is managed by the Illinois State Board of Investment (ISBI) along with the Judges' and State Employees' Retirement Systems. All investments are accounted for in a commingled ISBI fund.

The ISBI operates under a strategic investment policy. The investment objective of the total portfolio is to maximize the rate of return on investments within a prudent level of risk.

To achieve this objective, the ISBI invests in different types of assets and

Statements of Plan Net Assets June 30, 2007 and 2006 (unaudited)

	2007	2006
ASSETS		
Cash	\$ 3,234,905	\$ 3,314,237
Receivables	145,554	28,197
Investments, at fair value	83,864,942	79,016,741
Equipment, net of acc. depr.	1,945	2,737
Total Assets	87,247,346	82,361,912
Total Liabilities	65,171	107,080
Net assets held in trust for pension benefits	\$ 87,182,175	\$ 82,254,832

Statements of Changes in Plan Net Assets June 30, 2007 and 2006 (unaudited)

	2007	2006
REVENUES		
Contributions:		
Participants	\$ 1,703,344	\$ 1,491,811
Employer	5,470,429	4,175,390
Total Contributions	7,173,773	5,667,201
Investment Income	12,990,985	7,872,989
Total Revenues	20,164,758	13,540,190
EXPENSES		
Benefits	14,719,292	14,065,760
Refunds	297,790	187,917
Administrative	220,333	304,723
Total Expenses	15,237,415	14,558,400
Net Increase/(Decrease)	4,927,343	(1,018,210)
Net assets held in trust for pension benefits:		
Beginning of year	82,254,832	83,273,042
End of year	\$ 87,182,175	\$ 82,254,832

uses multiple managers to ensure diversification. The overall rate of return for the ISBI commingled fund was 17.1% for fiscal year 2007, compared to 11.0% for fiscal year 2006.

FUNDING

The System's funding plan requires that state contributions be paid to the System so that by the end of fiscal year 2045, the ratio of net assets to the actuarial accrued liability (funding ratio) will be 90%.

At June 30, 2007, the System's accrued actuarial liability amounted to \$231.9 million. The actuarial value of net assets (at fair value) amounted to \$87.2 million as of the same date, resulting in a funding ratio of 37.6%.



Your Health & Radon

Radon is a colorless, odorless gas that you can't see, smell or feel. It is the leading cause of lung cancer among non-smokers.

The Surgeon General recognizes radon as a health risk, stating "breathing radon over prolonged periods can present a significant health risk to all families."

Radon comes from the natural radioactive decay of radium and uranium found in the soil beneath your house. The amount of radon that escapes from the soil into your house depends on the weather, soil porosity, soil moisture, and the natural suction within your house.

Most radon enters a home because of air pressure and temperature differences between the building and

the outside air. It also enters through openings between the house and soil such as crawl spaces, floor and wall joints, sump pumps and cracks.

The only way to know the radon level in your home is to have it tested! If test results are at or above the action level of 4.0 pCi/L, radon mitigation is recommended.

Currently, the Illinois Emergency Management Agency (IEMA) Radon Program is offering free radon test kits to anyone who wants to test their home. A kit can be ordered by going to www.radon.illinois.gov or by calling IEMA's toll-free number at 1-800-325-1245. Other information and resources about radon are also available on the IEMA website.

GARS Tax Issues

Retiree Tax Withholding



Monthly GARS retirement benefits are subject to federal income tax withholding. Federal law requires benefit recipients to complete a W-4P to determine if they want federal income tax withheld from their benefit.

If you fail to inform us of your decision, taxes are withheld as a married individual with three exemptions. No withholding is required for a monthly benefit of less than \$1,517.00 unless you request it.

Tax penalties may be incurred if your estimated tax payment is insufficient for the year. You may change or end your withholding at any time.

IRS Form 1099R

GARS mails IRS Form 1099R to all retirees & survivors by the end of January 2008. If you don't receive your 1099R by the middle of February, contact us at 217-782-8500. You need the 1099R to file your 2007 federal and state tax returns.

Your 1099R will show the gross benefit you received from GARS in 2007. This form will also indicate the amount of federal income tax withheld, and for most retirees, the taxable portion of your benefit.

Although GARS pension benefits are not subject to Illinois income tax, different laws apply in other states. If you live outside of Illinois, contact that state's Department of Revenue for specific information.

Keep Your Beneficiaries Current



You may change your beneficiaries at any time by completing and filing a new Nomination of Beneficiary form (on the back page of this publication) with GARS.

It is your responsibility to keep your designation up-to-date. If no beneficiary is on file, any lump sum death benefit will be paid to your estate.

It's possible that you could have three different sets of beneficiaries: GARS benefits, Group Life Insurance and Deferred Compensation.

General Assembly Retirement System of Illinois

2101 South Veterans Parkway, P.O. Box 19255, Springfield, Illinois 62794-9255, Phone 217-782-8500

MEMBER'S NOMINATION OF BENEFICIARY(IES) FOR DEATH BENEFITS

This form is to be used to nominate the person or persons to receive any death benefit payable by the General Assembly Retirement System of Illinois. This is a legal document which, after preparation, may not be altered in any way by any person. A member desiring to change beneficiaries at a later date must complete a new Nomination of Beneficiary form. The form on file with the System that has the most recent date, located next to the member's signature, will take precedence.

INSTRUCTIONS: Complete this form using ink or typewriter. You may nominate one person, as many as you wish, or your estate. Benefits will be paid on a survivor basis in the numerical

order you indicate. Two or more persons with the same order number will receive equal shares. When this beneficiary nomination is accepted by the General Assembly Retirement System, an acknowledgment will be mailed to the current address on file with GARS. If your address is not current, please contact the Office of the Comptroller.

NOTE! Persons nominated as beneficiaries without order numbers will be considered after persons nominated with order numbers. Two or more persons nominated without order numbers will receive equal shares.

EXAMPLE

<i>Order Number</i>	<i>Name</i>	<i>Address</i>	<i>Relationship</i>
<i>1</i>	<i>John A. Doe</i>	<i>123 West Main, Chicago, IL 60601</i>	<i>Father</i>
<i>2</i>	<i>Jane B. Doe</i>	<i>123 West Main, Chicago, IL 60601</i>	<i>Mother</i>
<i>3</i>	<i>David C. Doe</i>	<i>123 West Main, Chicago, IL 60601</i>	<i>Brother</i>
<i>3</i>	<i>Nancy D. Doe</i>	<i>44 South 2nd, Springfield, IL 62708</i>	<i>Sister</i>
<i>3</i>	<i>Mary E. Doe</i>	<i>123 West Main, Chicago, IL 60601</i>	<i>Sister</i>
<i>4</i>	<i>Frank F. Smith</i>	<i>9876 E. 99th St., Peoria, IL 61605</i>	<i>None</i>

In the event a member dies with no qualified survivor eligible for a monthly annuity, the lump sum death benefit will be paid as follows:

- All the money will be paid to John Doe.
- If John Doe is not living when the member dies, all the money will be paid to Jane Doe.
- If John and Jane Doe are not living when the member dies, the money will be divided equally among David, Nancy, and Mary Doe. (If only two of these three persons are living when the member dies, each will receive one-half of the money and if only one of these three persons is living when the member dies, he/she will receive all of the money.)
- If John, Jane, David, Nancy, and Mary Doe are not living when the member dies, all the money will be paid to Frank Smith.
- If none of the nominated beneficiaries are living when the member dies, all of the money will be paid to the member's estate.

NOMINATED BENEFICIARIES

Order Number	Name	Address	Relationship
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

This form must be witnessed by two people who are not named as beneficiaries.

Member's Signature _____ **Date** _____

Member's Social Security Number _____ Witness _____

Member's Address _____ Address _____

Witness _____

Address _____