

JUDGES RETIREMENT SYSTEM OF ILLINOIS

MEETING NO. 293

**MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF TRUSTEES**

JANUARY 26, 2007

The regular meeting of the Board of Trustees of the Judges Retirement System was held on Friday, January 26, 2007, commencing at 10:00 A.M. in Room N-1810 of the Bilandic Building, 160 North LaSalle Street, Chicago.

Roll call was taken with the following trustees present:

Justice Thomas E. Hoffman, Chairman
Justice John J. Bowman, Vice Chairman
Justice Frederick Kapala,
Proxy for Chief Justice Robert Thomas
Martin Noven,
Proxy for State Treasurer Alexl Giannoulis

Chief Judge Timothy Evans arrived during the discussion on legislation.

Others Present:

Timothy Blair, Acting Executive Secretary
William Atwood, Director, Illinois State
Board of Investment
Cheryl Bullerman, Recording Secretary

Chairman Hoffman presided, and called the meeting to order with a quorum present.

REPORT OF THE ILLINOIS STATE BOARD OF INVESTMENT

William Atwood, Director of the Illinois State Board of Investment, distributed copies of a draft of the Executive Summary for the period ending December 31, 2006.

Mr. Atwood directed the trustees attention to the portion of the report reflecting a 14.4% return for the year to date, which is slightly ahead of the benchmark. He continued with a brief review of the performance of the various asset classes, and concluded with a report on portfolio changes being made.

After entertaining questions, Chairman Hoffman thanked Mr. Atwood for his informative report and excused him from the remainder of the meeting. A copy of this report is maintained in the office of the Illinois State Board of Investment.

MINUTES OF PREVIOUS MEETING

The minutes of Meeting No. 292 held on October 27, 2006, were presented by Chairman Hoffman for approval. Copies of these minutes were previously submitted to all trustees for preliminary review.

On motion by Trustee Kapala, and seconded by Vice Chairman Bowman, the Board unanimously approved the minutes of the October 27, 2006 meeting as submitted.

READING OF COMMUNICATIONS

There were no communications to be read.

REPORT OF CHAIRMAN

Chairman Hoffman indicated he had nothing to report at this time.

REPORT OF SECRETARY

Financial Statements and Report of Administrative Expenses.

The second quarter financial report for the period October 1, 2006 through December 31, 2006, was presented for approval. Board members reviewed the Statement of Cash Receipts, Disbursements and Balances for the fiscal year to date. The Statement of Investment Account reflected a transfer of \$4.4 million from the Illinois State Board of Investment in order to pay benefits during the second quarter. A review of the administrative expenses followed.

Following discussion, Vice Chairman Bowman moved acceptance of the financial report for the quarter ending December 31, 2006, as filed. Trustee Kapala seconded the motion, and all were in favor. A copy of this report is on file in the System's office and marked as Exhibit A.

Annuities and Refunds for Approval. Mr. Blair reviewed a listing of thirty-seven (37) retirement annuities for approval. Vice Chairman Bowman moved approval of the listed applications for retirement annuities. Trustee Kapala seconded the motion, which prevailed by an affirmative vote of all trustees present.

The report also reflected seven (7) survivors' annuities for approval. On motion by Trustee Kapala, seconded by Vice Chairman Bowman, and by unanimous vote, the applications for survivors' annuities were approved.

Two (2) error refunds in the amount of \$11,897.76, three (3) survivors' annuity refunds totaling \$59,044.90, and one (1) termination refund in the amount of \$20,551.08 were processed during this reporting period. Vice Chairman Bowman moved approval of the listed applications for refunds. Trustee Kapala seconded the motion, and all were in favor.

Official copies of these reports are on file in the System's office, and marked as Exhibit B.

Deaths of Members. Trustees reviewed the listing of eight (8) members whose deaths were reported subsequent to the last meeting of the Board. This report is on file in the System's office, and marked as Exhibit C.

Court Cases. The Attorney General's office has advised that mandates were issued by the appellate court in the matters of Adam Stillo vs. JRS and Thomas Maloney vs. JRS that the decision of the appellate court in favor of the Board stands as the final ruling since Stillo and Maloney did not ask the Illinois Supreme Court to reconsider its denial of their petitions for leave to appeal.

Legislation. Legislation has been drafted which provides that a judge who was eligible for the maximum annuity and elected to discontinue contributions to the System may file a letter with the Board before January 1, 2008, canceling the election to discontinue contributions to the System.

A bill was drafted to provide that a married participant who elected not to participate in the survivor's annuity provisions may elect to participate therein by filing with the Board before July 1, 2007, a written rescission of the election not to participate.

Trustees were also informed of legislation that has been drafted which would allow a married participant who elected not to participate in the survivor's annuity provision and who is still a judge, to elect to participate therein by filing with the Board before July 1, 2007, a written rescission of the election not to participate.

Following discussion, the trustees unanimously agreed to support all three bills.

House Resolution 25. Trustees were advised of House Resolution 25 filed by Representative Fritchey urging voters to support a referendum calling for a constitutional convention.

UNFINISHED BUSINESS

There was no unfinished business to be discussed during this meeting.

NEW BUSINESS

There was no new business to be brought before the Board

ADJOURNMENT

On motion by Trustee Kapala, and seconded by Vice Chairman Bowman, the meeting adjourned at 10:55 A.M.

Chairman Hoffman reminded the trustees that the next meeting is scheduled for Friday, March 30, at which time the preliminary FY 2008 budget will be reviewed.

Secretary

Date: _____

APPROVED:

Chairman