

JUDGES RETIREMENT SYSTEM OF ILLINOIS
MEETING NO. 298
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF TRUSTEES
MARCH 28, 2008

The regular meeting of the Board of Trustees of the Judges Retirement System convened on Friday, March 28, 2008, at 10:00 A.M. in Room N-1810 of the 160 North LaSalle Street Building in Chicago.

Roll call was taken with the following trustees in attendance:

Justice Thomas E. Hoffman, Chairman
Justice John J. Bowman, Vice Chairman
Justice Thomas Callum,
Proxy for Chief Justice Robert Thomas
Chief Judge Timothy Evans

Absent was:

Alexi Giannoulis, State Treasurer

Others Present:

Timothy Blair, Acting 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 the draft Executive Summary for the period ending February 29, 2008, and addressed the Board. Mr. Atwood advised the total fund return for the fiscal year to date is -4.5%. He followed with a review of the performance of the various asset classes as compared to the benchmark. A discussion ensued regarding the current market conditions and the System's actuarial assumption of 8%.

After entertaining questions raised by the trustees, Chairman Hoffman thanked him for his informative report and excused him from the remainder of the meeting. An official copy of this report is maintained in the office of the Illinois State Board of Investment.

MINUTES OF PREVIOUS MEETING

Chairman Hoffman presented the minutes of Meeting No. 297 held January 25, 2008, for approval. Copies of the minutes were previously furnished to the Board members for preliminary review.

On motion by Vice Chairman Bowman, seconded by Trustee Callum, and by unanimous vote, the minutes of the January 25, 2008 meeting were approved as submitted.

READING OF COMMUNICATIONS

Trustees reviewed a letter from Timothy D. Elliott, an attorney with the law firm of Rathje & Woodward, LLC, pertaining to a disabled adult child benefit for Phillip C. Equi. Also reviewed were copies of correspondence from the Retirement System to Judge J. Phillip Equi prior to his death advising him of the benefits which would be available to adult child.

The trustees instructed Acting Secretary Blair to advise Mr. Elliott that if they wish to pursue an appeal for a higher benefit, the appeal should be submitted in writing. At that time, a hearing will be scheduled before the Board.

REPORT OF CHAIRMAN

Chairman Hoffman indicated he had nothing to report.

REPORT OF SECRETARY

Legislation. **House Bill 5967** - Provides for an active judge who elected not to participate in the survivor's annuity provisions to rescind that election.

House Bill 5968 - Provides for a judge who was eligible for a maximum annuity and elected to discontinue contributions may file a letter with the Board before July 1, 2009 to cancel that election.

House Bill 5966 - Provides a window for a married judge who elected not to participate in the survivor's annuity provisions to rescind that election.

Senate Bill 2543 - Provides that a person who becomes a judge, constitutional officer, or member of the General Assembly shall participate in the State Employees' Retirement System unless that person participated in the Judges or General Assembly Retirement Systems prior to that date.

Following discussion, Chairman Hoffman presented a motion that the Board oppose Senate Bill 2543. Trustee Evans seconded the motion, which prevailed by the affirmative vote of all trustees present.

Approval of Retirement Annuities, Refunds. Mr. Blair called the trustees' attention to the listing of nine (9) retirement annuities and three (3) survivor annuities for approval. On motion by Vice Chairman Bowman, seconded by Trustee Callum, and unanimously passed, the Board approved these applications for annuities.

Mr. Blair continued with a review of three (3) survivor annuity refund applications. Trustee Evans moved to approve the payment of the refunds as listed. This motion was seconded by Trustee Callum, and all were in favor.

The annuity and refund listings are attached as Exhibit A.

Report on Deaths of Members. Mr. Blair reported the deaths of three members subsequent to the January meeting. This report is attached as Exhibit B.

FY 2009 BUDGET AND OPERATIONAL PLAN

The meeting continued with the presentation of the administrative budget for the fiscal year July 1, 2008 through June 30, 2009. Copies of the executive summary, as well as a detailed budget, were previously mailed to the trustees for their review prior to this meeting.

The budget request for the next fiscal year for the Judges and General Assembly Retirement Systems is \$1,006,500, The Judges Retirement System share of this amount is \$685,900. The FY 2009 budget represents a 5.97% increase over the current fiscal year budget.

The JRS/GARS budget allocation is based on the number of members and annuitants. In addition, direct allocations are made whenever possible for specific expenses of the individual Systems. The proposed budget as submitted to the trustees for review reflects a 70%/30% split.

Items having a cost impact on the FY 09 budget include personal services and related line items. Also, the continuation of the pre retirement seminars and the one on one counseling sessions will have a cost impact. Travel, equipment, telecommunications, and EDP line items have been reduced for FY 2009.

Following discussion, Trustee Evans moved tentative approval of the preliminary FY 2009 consolidated budget request of \$1,006,500, subject to approval of the Board of Trustees of the General Assembly Retirement System at their meeting on April 16, 2008. Vice Chairman Bowman seconded the motion. The motion carried with an affirmative vote of all trustees present.

UNFINISHED BUSINESS

State Contributions to JRS. Mr. Blair advised that subsequent to the January Board meeting, the employer contributions were received, and vouchers have been submitted for February 15 and March 15, 2008.

NEW BUSINESS

General Obligation Bonds. The sale of general obligation bonds to fund the Judges Retirement System is again being proposed.

ADJOURNMENT

With no further business to be brought before the Board, on motion by Trustee Evans, and seconded by Vice Chairman Bowman, the meeting adjourned at 11:40 A.M. Chairman Hoffman announced the next regular meeting of the Board is scheduled for Friday, July 25, 2008.

Acting Secretary

Date: _____

APPROVED:

Chairman