



JRS Tier 2 Legislation

Governor Quinn signed Public Act 96-0889 into law on April 14, 2010 creating a "second-tier" of benefits for future members of the Judges' Retirement System.

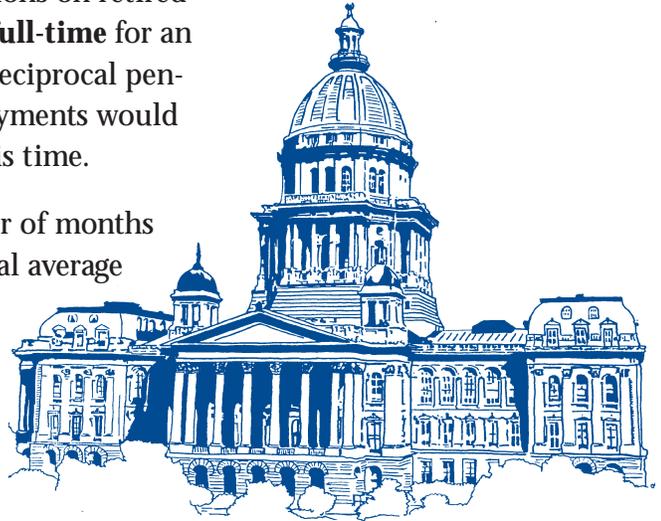
The most significant changes include increasing the minimum retirement age for future members and reducing the maximum salary to be used in the calculation of a retirement benefit.

AFTER DECEMBER 31, 2010, THIS LEGISLATION PERTAINS TO NEWLY ELECTED OR APPOINTED JUDGES. OTHER MEMBERS OF JRS ARE NOT AFFECTED BY THIS LEGISLATION!

Benefit Changes Include:

- In order to qualify for a retirement benefit, a judge must be 67 years old with 8 years of service. A judge could retire at age 62 with 8 years of service, but with a reduction in benefits of one-half of one percent per month for each month the judge is under age 67.
- Calculates the retirement benefit on a maximum salary of \$106,800. This amount increases annually by three percent or the Consumer Price Index, whichever is less.
- Increases the original retirement benefit annually by three percent or the Consumer Price Index, whichever is less.

- Changes the restrictions on retired judges who go to work **full-time** for an employer covered by a reciprocal pension system. Pension payments would be suspended during this time.
- Increases the number of months used to calculate the final average rate of pay to the highest 96 months of the last ten years of service. Tier 2 judges' pensions are no longer based on final rate of pay.



Civil Unions and JRS Benefits

Public Act 96-1513 (SB 1716) created the Illinois Religious Freedom Protection and Civil Union Act. Effective June 1, 2011, this new state law provides civil unions not only for couples of the same sex, but for couples of the opposite sex as well.

The Act provides parties to a civil union are "entitled to the same legal obligations, responsibilities, protections and benefits as are afforded or recognized by the law of Illinois to spouses,

whether they derive from statute, administrative rules, policy, common law, or any other source of civil or criminal law."

All current statutes, rules and policies that currently apply to married JRS members and spouses will now apply to couples in a civil union.

JRS staff is revising and updating rules, policies and related materials to reflect the new Civil Unions Act. You may contact our office at 217-782-8500 for additional information.



One- On- One Counseling

The 2011 One-on-One counseling sessions will be held through July 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.

March 8

DuPage County Courthouse
Wheaton in the morning

March 9

Kane County Courthouse
St. Charles in the morning

April 12 & 13

Cook County, Bilandic Building
Chicago

April 20

Lake County Courthouse
Waukegan 11 a.m.

April 21

McHenry County Courthouse
Woodstock in the morning

JRS Workshop



We urge all judges, regardless of age, to enroll in the Education for Tomorrow's Choices preretirement workshop. This free, one-day workshop will be held in Chicago at the Bilandic Building on Thursday, March 31, 2011 and features a certified financial planner to discuss money management and investment strategies.

Other speakers will cover Deferred Compensation, Social Security & Medicare benefits, group insurance and all JRS benefits. Make a reservation for this workshop by calling the JRS office at 217-782-8500.

April 29

Adams County Courthouse
Quincy 9 a.m.

McDonough County Courthouse
Macomb 11:30 a.m.

May 3

Vermilion County Courthouse
Danville in the morning

Coles, Clark, Edgar Counties
Charleston in the afternoon

June 1

Macon County Courthouse
Decatur in the morning

McLean County Courthouse
Bloomington in the afternoon

June 17

Williamson County Courthouse
Marion in the morning

Jefferson County Courthouse
Mt. Vernon in the afternoon

June 28

Peoria County Courthouse
Peoria in the morning

Tazewell County Courthouse
Pekin in the afternoon

July 12

Rock Island County Courthouse
Rock Island in the morning

Carroll County Courthouse
Mt. Carroll in the afternoon

July 13

Winnebago County Courthouse
Rockford in the morning

2010 Death Notices

The following judges passed away in 2010.

	Date of Death
Thomas Flood	1-17-10
Ronald Olson	1-17-10
Edward Kowal	1-26-10
William Johnson	2-05-10
John Divane	2-15-10
John Rapp, Jr.	2-26-10
Wilburn Saxe	3-10-10
Harold Sullivan	3-22-10
Michael Orenic	4-16-10
Richard Fitzgerald	4-17-10
Peter Paolucci	7-13-10
John Moore	8-29-10
Carl Lund	8-31-10
Harry Ziegler	9-08-10
Harold Clark	9-17-10
Robert Downing	10-23-10
James Quinlan, Jr.	11-11-10
Glenn Johnson	11-30-10
Arthur Hamilton	12-26-10

FY12 JRS Salaries

Supreme Court Justice
\$209,344

Appellate Court Justice
\$197,032

Circuit Court Judge
\$180,802

Associate Court Judge
\$171,762

FY10 Numbers

OPERATIONS

Fiscal year 2010 participant contributions increased by 1.5% over the fiscal year 2009 amount. This was due, in part, to a general increase in wages subject to retirement.

Employer contributions increased to approximately \$78.5 million in fiscal year 2010 from \$60.0 million in fiscal year 2009. This increase was the result of the state's funding plan.

During fiscal year 2010, the System paid out approximately \$92.1 million in benefits and refunds, an increase of 6.7% from fiscal year 2009.

INVESTMENTS

By state law, the System's investment function is managed by the Illinois State Board of Investment (ISBI) along with the General Assembly and State Employees' Retirement Systems.

All investments are accounted for in a commingled ISBI fund. The fiscal year 2010 investment income directly reflects the positive returns in the U.S. equity, international equity, fixed income, and private equity markets.

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 the actuarial value of assets to the actuarial liability (funding ratio) will be 90%.

At June 30, 2010, the System's accrued actuarial liability amounted to nearly \$1.82 billion. The actuarial value of assets amounted to \$619.9 million as of the same date, resulting in a funding ratio of 34.1%.

Statements of Plan Net Assets June 30, 2010 and 2009

	2010	2009
ASSETS		
Cash	\$ 16,644,537	\$ 17,991,016
Receivables	261,482	25,372,085
Investments, at fair value	506,463,522	435,604,601
Securities lending collateral with State Treasurer	6,242,000	-
Equipment, net of acc. deprec.	3,841	3,318
Total Assets	529,615,382	478,971,020
Total Liabilities	6,339,230	94,943
Net assets held in trust for pension benefits	\$ 523,276,152	\$ 478,876,077

Statements of Changes in Plan Net Assets June 30, 2010 and 2009

	2010	2009
ADDITIONS		
Contributions:		
Participants	\$ 16,001,619	\$ 15,763,410
Employer	78,509,810	59,983,000
Total Contributions	94,511,429	75,746,410
Investment Income (Loss)	42,532,318	(122,716,471)
Total Additions (Deductions)	137,043,747	(46,970,061)
DEDUCTIONS		
Benefits	91,569,757	85,819,539
Refunds	510,555	449,309
Administrative	563,360	565,588
Total Deductions	92,643,672	86,834,436
Net Increase (Decrease)	44,400,075	(133,804,497)
Net assets held in trust for pension benefits:		
Beginning of year	478,876,077	612,680,574
End of year	\$ 523,276,152	\$ 478,876,077

Judges' 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 Judges' 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 Judges' Retirement System, an acknowledgment will be mailed to the current address on file with JRS. If your address is not current, please contact the Administrative Office of the Illinois Courts or the Judges' Retirement System.

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

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

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

1. All the money will be paid to John Doe.
2. If John Doe is not living when the member dies, all the money will be paid to Jane Doe.
3. 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.)
4. If John, Jane, David, Nancy, and Mary Doe are not living when the member dies, all the money will be paid to Frank Smith.
5. 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 _____