



STATE OF ILLINOIS
**OFFICE OF THE
AUDITOR GENERAL**

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

GENERAL ASSEMBLY RETIREMENT SYSTEM

**COMPLIANCE EXAMINATION
For the Year Ended: June 30, 2011**

Release Date: May 2, 2012

Summary of Findings this Audit Cycle:

- **Compliance** **0**
 - **Financial Audit (previously reported 2-21-12)** **1**
- Total findings:** **1**


Summary of findings from previous audit cycle: **0**
Repeated from last audit: **0**

INTRODUCTION

The Financial Audit for the year ended June 30, 2011 was previously released on February 21, 2012. That audit contained one finding. This report addresses State compliance examination. No State Compliance finding issues are reported. In total this report contains one finding, which was previously reported in the Financial Audit.

AUDITORS' OPINION

The auditors conducted a compliance examination of the System for the year ended June 30, 2011. A financial audit covering the year ended June 30, 2011 was issued previously.



WILLIAM G. HOLLAND
Auditor General

WGH:JAF:rt

SPECIAL ASSISTANT AUDITORS

Our special assistant auditors for this compliance examination were BKD LLP.

{Expenditures and Activity Measures are summarized on the reverse page.}

GENERAL ASSEMBLY RETIREMENT SYSTEM OF ILLINOIS
COMPLIANCE EXAMINATION
For The Year Ended June 30, 2011

EXPENDITURE STATISTICS	FY 2011	FY 2010
Total Expenditures	<u>\$ 29,071,660</u>	<u>\$ 27,651,776</u>
General Revenue Fund - 001:.....		
Continuing appropriation for pension contributions.....	\$ 2,009,666	\$ -
General Assembly Retirement System Fund - 0481:.....		
Pensions, annuities and benefits.....	\$ 17,652,459	\$ 16,745,895
Purchase of investments.....	9,037,344	10,396,274
Personal services.....	131,342	119,330
Other payroll costs (Retirement, Social Security and Group Insurance).....	74,536	67,938
Refunds.....	72,281	248,654
Contractual services.....	58,425	48,395
All other expenses.....	5,971	7,755
General Assembly Retirement Excess Benefit Fund - 0786:.....		
Pensions, annuities and benefits.....	\$ 29,636	\$ 17,535
Total Receipts	<u>\$ 27,108,341</u>	<u>\$ 27,074,159</u>
ANALYSIS OF PLAN INVESTMENTS	June 30, 2011	June 30, 2010
Balance at beginning of year, at fair value.....	\$ 51,638,586	\$ 47,693,753
Net cash transferred from investments.....	(4,562,656)	(803,726)
Net investments (1).....	<u>\$ 47,075,930</u>	<u>\$ 46,890,027</u>
Investment income - interest, dividends and other.....	1,355,661	1,364,709
Investment expenses.....	(183,751)	(207,114)
Net investment income (2).....	<u>\$ 1,171,910</u>	<u>\$ 1,157,595</u>
Net realized gain (loss) on sale of investments.....	1,602,133	995,383
Net unrealized gain (loss) on investments.....	7,496,469	2,595,581
Net appreciation (depreciation) in fair value of investments (3).....	<u>\$ 9,098,602</u>	<u>\$ 3,590,964</u>
Total net investment income (loss) (4), (2) + (3).....	<u>\$ 10,270,512</u>	<u>\$ 4,748,559</u>
Balance at end of year, at fair value (1) + (4).....	<u>\$ 57,346,442</u>	<u>\$ 51,638,586</u>
INVESTMENTS USED FOR BENEFITS AND EXPENSES	FY 2011	FY 2010
CONTRIBUTIONS: Participants.....	\$ 2,006,200	\$ 1,680,603
Appropriations & other.....	11,433,614	10,411,274
Total Contributions (5).....	<u>\$ 13,439,814</u>	<u>\$ 12,091,877</u>
DEDUCTIONS: Benefits.....	\$ 17,676,851	\$ 16,769,032
Refunds.....	61,476	222,094
Administration.....	299,116	272,253
Total Deductions (6).....	<u>\$ 18,037,443</u>	<u>\$ 17,263,379</u>
Investments used to pay Benefits and Expenses (5) - (6).....	<u>\$ (4,597,629)</u>	<u>\$ (5,171,502)</u>
SUPPLEMENTARY INFORMATION	June 30, 2011	June 30, 2010
Retirees and beneficiaries receiving benefits (unaudited).....	410	398
Total members (unaudited).....	266	255
Total active members (unaudited).....	180	182
Total return on investments (unaudited).....	21.7%	9.1%
EXECUTIVE SECRETARY		
During Engagement Period: Timothy Blair		
Currently: Timothy Blair		