



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

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**JUDGES' RETIREMENT SYSTEM**  
**OF THE STATE OF ILLINOIS**

**Financial Audit**  
**For the Year Ended June 30, 2023**

**Release Date: February 29, 2024**

<b>FINDINGS THIS AUDIT:</b>	<b>0</b>
<b>FINDINGS LAST AUDIT:</b>	<b>0</b>

**INTRODUCTION**

This digest covers the financial statement audit of the Judges' Retirement System of the State of Illinois (System) as of and for the year ended June 30, 2023. A digest covering the System's State Compliance Examination for the two years ended June 30, 2023, will be released at a later date.

The System's total pension liability is \$3,098.3 million at June 30, 2023, an increase of \$84.4 million from \$3,013.9 million at June 30, 2022. The System's net pension liability at June 30, 2023 is \$1,775.9 million, which is the difference between the System's fiduciary net position of \$1,322.3 million and the total pension liability. The System's net position as a percentage of the total pension liability is 42.68% as of June 30, 2023, as compared to 42.40% at June 30, 2022. The criteria used for computing pension liability information in the financial report in accordance with GASB Statement No. 67 differs from the criteria used to compute the actuarial accrued liability and actuarial unfunded liability under the State's funding plan, therefore this information under the State's funding plan is no longer reported in the financial statements. There were no findings reported under *Government Auditing Standards* in our audit.

**AUDITOR'S OPINION**

The auditors stated the financial statements of the System as of and for the year ended June 30, 2023, are fairly stated in all material respects.

This financial audit was conducted by RSM US LLP.

**SIGNED ORIGINAL ON FILE**

JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

FRANK J. MAUTINO  
Auditor General

FJM:dmg

**JUDGES' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**  
**FINANCIAL AUDIT**  
**For the Year Ended June 30, 2023 and 2022**

<b>STATEMENT OF CHANGES IN FIDUCIARY NET POSITION</b>	<b>2023</b>	<b>2022</b>
Additions:		
Contributions - Participants.....	\$ 15,006,659	\$ 14,573,802
Contributions - Employer/Appropriations.....	147,429,857	155,993,000
Total Contributions.....	<u>162,436,516</u>	<u>170,566,802</u>
Net Appreciation (Depreciation) in Fair Value of Investments.....	60,240,552	(114,887,815)
Interest and Dividends.....	17,035,643	25,621,699
Investment Expense.....	(1,014,224)	(1,623,235)
Net Investment Income (Loss).....	<u>76,261,971</u>	<u>(90,889,351)</u>
Total Additions.....	<u>238,698,487</u>	<u>79,677,451</u>
Deductions:		
Benefits.....	192,312,576	180,422,869
Refunds.....	747,851	804,052
Administrative Expenses.....	1,075,130	1,123,921
Total Deductions.....	<u>194,135,557</u>	<u>182,350,842</u>
Net Increase (Decrease) in Net Position.....	<u>\$ 44,562,930</u>	<u>\$ (102,673,391)</u>
<b>STATEMENT OF FIDUCIARY NET POSITION AND INVESTMENT SUMMARY - (All investments held in the Illinois State Board of Investment Commingled Fund at fair value)</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
U.S. Government, Agency and Municipal Obligations.....	\$ 541,162,376	\$ 446,203,174
Domestic Equities.....	3,971,415,156	3,973,541,539
International Equities.....	255,573,082	291,857,727
Domestic Bank Loans.....	125,535,488	142,598,047
Domestic Obligations.....	206,488,310	277,598,925
International Obligations.....	20,127,751	13,336,421
Commingled Funds.....	11,666,738,909	11,077,749,826
Real Estate Funds.....	2,727,334,591	2,853,235,142
Private Equity Funds.....	2,400,092,174	2,059,446,250
Private Credit Funds.....	1,652,431,070	1,384,143,425
Infrastructure Funds.....	551,606,026	447,873,206
Hedge Funds.....	180,591	558,141
Deposit (Subscription Advance).....	-	5,000,000
Money Market Instruments.....	160,666,276	167,509,479
Total Investment Portfolio.....	<u>24,279,351,800</u>	<u>23,140,651,302</u>
Other ISBI Assets Less Liabilities.....	57,994,036	37,232,785
ISBI Net Position.....	<u>24,337,345,836</u>	<u>23,177,884,087</u>
Investments owned by other retirement systems and other entities.....	(23,034,083,148)	(21,918,977,741)
Judges' Retirement System Investments.....	1,303,262,688	1,258,906,346
Cash, Receivables and Other Assets.....	21,725,483	21,416,659
Less: Total Liabilities.....	<u>(2,660,967)</u>	<u>(2,558,731)</u>
Net Position - Restricted for Pension Benefits.....	<u>\$ 1,322,327,204</u>	<u>\$ 1,277,764,274</u>
<b>ADMINISTRATIVE EXPENSES</b>	<b>2023</b>	<b>2022</b>
Personal Services.....	\$ 446,088	\$ 440,581
Retirement, Group Insurance & Social Security.....	387,687	400,273
Contractual Services.....	182,514	207,026
Information Technology.....	54,166	56,874
Other Expenses (Net).....	4,675	19,167
Total Administrative Expenses.....	<u>\$ 1,075,130</u>	<u>\$ 1,123,921</u>
<b>SUPPLEMENTARY INFORMATION</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Benefit Recipients.....	1,348	1,293
Active Members.....	953	940
Inactive Members.....	8	10
Total.....	<u>2,309</u>	<u>2,243</u>
<b>PENSION LIABILITY</b>	<b>June 30, 2023</b>	<b>June 30, 2022</b>
Total Pension Liability.....	\$ 3,098,284,001	\$ 3,013,909,782
Plan Fiduciary Net Position.....	1,322,327,204	1,277,764,274
Net Pension Liability.....	<u>\$ 1,775,956,797</u>	<u>\$ 1,736,145,508</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	42.68%	42.40%
<b>EXECUTIVE SECRETARY</b>		
During Engagement Period: Timothy B. Blair		
Currently: Timothy B. Blair		