

JUDGES' RETIREMENT SYSTEM OF ILLINOIS
MEETING NO. 369

MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF TRUSTEES

October 24, 2025

The annual meeting of the Board of Trustees of the Judges' Retirement System of Illinois was held on Friday, October 24, 2025, at 10:00 a.m. in Room S200 of the Michael Bilandic Building, 160 North LaSalle Street, Chicago, Illinois with a videoconference location at the System's Springfield Office, 2101 South Veterans Parkway, Springfield, Illinois.

Roll Call was taken with the following trustees in attendance:

Judge Debra Walker, Chairperson and Proxy for Chief Justice Mary Jane Theis (Chicago location)
Justice Amy C. Lannerd (Springfield location)
Judge Karen Wall (Springfield location)
Catherine Shannon, Proxy for State Treasurer Michael Frerichs (Springfield location)

Others present:

Timothy B. Blair, Administrative Secretary (Chicago location)
Jeff Houch, Associate Administrative Secretary (Springfield location)
Angie Ackerson, JRS Division Manager (Springfield location)
Samantha Goetz, SRS General Counsel (Springfield location)
Jennifer Koelle, Senior Investment Officer, Illinois State Board of Investment (by video)
Scott Richards, Senior Investment Officer, Illinois State Board of Investment (by video)
Heidi Barry, Consulting Actuary, Gabriel, Roeder, Smith & Company (by video)
Alex Rivera, Consulting Actuary, Gabriel, Roeder, Smith & Company (Chicago location)
Jeff Tebeau, Consulting Actuary, Gabriel, Roeder, Smith & Company (Chicago location)

With a quorum present, Chairperson Walker called the meeting to order at 10:00 a.m. and introduced Jennifer Koelle and Scott Richards of the Illinois State Board of Investment.

REPORT OF THE ILLINOIS STATE BOARD OF INVESTMENT (ISBI)

Jennifer Koelle, ISBI Senior Investment Officer, directed the Board's attention to the June 30, 2025, Performance Report and noted the Fund was valued at \$28.7 billion, an increase of 9.7% since June 30, 2024. She added that the portfolio returned 6.2% for the fourth quarter of FY 25, beating the policy benchmark by 70 basis points.

Ms. Koelle then discussed the Fund's strategic asset allocation, noting that ISBI methodically deploys assets in a public market equivalent when a private asset class is underweight. She briefly reviewed asset allocation, noting that private market asset classes are underweight 0.8% in Private Equity, 1.3% in Private Credit, 0.2% in Infrastructure, and 0.5% in Real Estate. Ms. Koelle added that 51% of the Fund's assets are managed by emerging and minority-owned firms and that 55.2% of the portfolio's assets are passively managed. She announced that ISBI selected RVK as their investment consultant, replacing Meketa. She then passed the presentation over to Scott Richards, Senior Investment Officer.

Mr. Richards reported that the Fixed Income portfolio returned 6.8% for the year ending June 30, 2025, exceeding the benchmark return of 6.5% for the period. He stated the U.S. Equity portfolio added 15.4%, beating the benchmark by 10 basis points. Mr. Richards added the Non-U.S. Equities portfolio gained 15.2%

but significantly underperformed the benchmark return of 17.8% for the period. He reported that the Private Credit portfolio earned 10.7% for the period, versus a benchmark return of 7.5%.

Mr. Richards concluded his report by noting the Infrastructure portfolio outperformed the relevant benchmark, with an 11.1% return compared to a benchmark return of 6.3% but the Real Estate portfolio underperformed the benchmark with a 1.4% return, while the benchmark returned 3.1%.

Chairperson Walker asked if there were any questions. Hearing none, she thanked Ms. Koelle and Mr. Richards and asked for a motion to approve the report. Trustee Lannerd offered the motion. Trustee Wall seconded the motion and it was approved unanimously. A copy of the June 30, 2025, Quarterly Update is maintained in the ISBI office and made part of these minutes as *Exhibit A*.

REPORT OF CONSULTING ACTUARIES

Alex Rivera, Jeff Tebeau and Heidi Barry of Gabriel, Roeder, Smith & Company presented draft copies of the FY 25 JRS actuarial valuation. Mr. Rivera noted the purpose of the valuation is to measure the funded status of the System on June 30, 2025, and to determine the required State contribution for FY 27. He added that Public Act 100-0023, effective July 6, 2017, modified the State's funding policy to smooth State contribution rate increases or decreases for actuarial assumptions changes over a five-year period in equal annual amounts. Mr. Rivera then turned the presentation over to Mr. Tebeau.

Mr. Tebeau reported that accrued liability increased from \$3.10 billion on June 30, 2024, to \$3.18 billion on June 30, 2025, while the market value of assets increased by \$65.6 million, thereby increasing the funded ratio on a market value basis from 45.3% to 46.3%. He noted that the actuarial value of assets increased from almost \$1.40 billion to \$1.46 billion, increasing the funded ratio based on the actuarial value of assets from 45.3% to almost 46.0%. He referred the Board to the slide showing that the funded ratio is expected to slowly increase until FY 33, and then rapidly increase after FY 33 to reach 90% in FY 45.

Mr. Tebeau continued by stating that in FY 25 employer contributions totaled \$148.9 million, employee contributions were \$16 million, and benefits and expenses were \$211.5 million, resulting in negative cash flow of approximately \$46.6 million. He stated the FY 27 State Contribution rate decreased slightly to 95.865% of payroll but still amounts to an increase of \$2.3 million over FY 26, to \$154.2 million. He pointed out that the actuarially determined contribution (ADC) is \$162 million, or \$7.8 million higher than the amount calculated under the statutory funding plan.

Chairperson Walker asked if there were any questions. Seeing none, she asked for a motion to approve the preliminary June 30, 2025, actuarial valuation and the preliminary certification of the FY 27 State contribution of \$154,166,000. Trustee Wall moved to accept the draft FY 25 valuation and preliminarily certify the \$154.2 million FY 27 employer contribution. Trustee Shannon seconded the motion, and it was approved unanimously. Chairperson Walker thanked Mr. Rivera, Mr. Tebeau and Ms. Barry and excused them.

A copy of the presentation is maintained in the JRS office and made part of these minutes as *Exhibit B*.

APPEAL OF JUDGE MICHAEL OTTO – TIER STATUS

Secretary Blair informed the Board that the appeal of Judge Michael Otto was deferred until the January meeting. He noted that additional information was submitted by Judge Otto, and the new information would be reviewed, and the drafted recommendation would be updated as needed.

MINUTES OF PREVIOUS MEETING

The minutes of Meeting No. 368 held on August 1, 2025, were presented by Chairperson Walker for approval. Copies of these minutes were previously submitted to all trustees for preliminary review. Trustee Lannerd made a motion to approve the minutes, and the motion was seconded by Trustee Wall. A voice vote was taken, and the motion was approved unanimously.

ELECTION OF 2026 OFFICERS

Chairperson Walker announced the election for 2026 officers was in order and opened the meeting for nominations. She informed the Trustees that Chief Justice Mary Jane Theis' term was ending this afternoon when Chief Justice P. Scott Neville, Jr. is sworn in. Chairperson Walker stated that if she is reappointed by Chief Justice Neville, Jr., to continue as proxy that she is willing to continue serving as Chair if nominated. Trustee Shannon nominated Chairperson Walker for 2026 and Trustee Wall as Vice-Chair. No other nominations were offered, and the motion was seconded by Trustee Lannerd. By voice vote Chairperson Walker and Vice-Chairperson Wall were unanimously re-elected for 2026.

Trustee Shannon motioned to nominate Timothy Blair as Administrative Secretary for 2026, which was seconded by Trustee Lannerd. No other nominations were offered, and Mr. Blair was unanimously elected.

READING OF COMMUNICATIONS

Chairperson Walker stated she had no communications to report and asked Secretary Blair if he had any to report. He responded that he had none.

REPORT OF CHAIRPERSON

Chairperson Walker offered no report.

REPORT OF ANY TRUSTEE

Chairperson Walker asked if there were any trustee reports. No reports were offered.

REPORT OF SECRETARY

Financial Statements of June 30, 2025. Secretary Blair reviewed the financial statements for the year that ended June 30, 2025. He noted that in FY 25 JRS had total receipts of \$206.9 million, disbursements of \$210.4 million, and a cash balance of \$14.1 million. Secretary Blair reported 1,051 retirement annuities, 318 survivors and 32 QILDRO alternate payees were paid each month.

Secretary Blair informed the Board that \$42.5 million was withdrawn from the ISBI portfolio in FY 25 and he projects the need to withdraw \$57 million in FY 26.

At the conclusion of Secretary Blair's presentation, Chairperson Walker asked if there was a motion to approve the June 30 2025 financial statements. Trustee Wall moved to approve the financial statements. The motion was seconded by Trustee Shannon and approved unanimously.

Copies of the Financial Statements have been placed on file and a part of these minutes as *Exhibit C*.

2026 Meeting Dates. Secretary Blair presented the proposed 2026 meeting dates. Chairperson Walker asked if all trustees had reviewed the meeting dates for 2026: January 9; April 24; July 31; and October 23. All meetings will begin at 10 a.m. and will be held by videoconference between Chicago and Springfield.

Trustee Wall made a motion to approve the 2026 meeting dates. The motion was seconded by Trustee Lannerd, and all voted in the affirmative.

FY 2026 Funding Update. Secretary Blair informed the Board that the System has received all required employer contributions for FY 26, noting the Comptroller's Office is current in making the State contributions and the November contribution was already received. He indicated he expects to receive the December contribution in November.

Administrative Review Complaint Update. Secretary Blair stated the 3rd Appellate District will hear oral arguments on November 19th for the Administrative Review complaint of Judges Patricia Kievan and Natosha Toller.

REPORT OF DIVISION MANAGER

Annuities and Refunds for Approval. Angie Ackerson, JRS Division Manager, presented 7 retirement annuities processed since the last Board meeting totaling \$78,685.84 per month and 5 survivor annuities totaling \$62,059.96 per month. A review of the refunds for approval included one death before retirement refund, one termination refund, and three survivor annuity contribution refunds totaling \$362,845.47. She noted there were seven error refunds processed, totaling \$21,323.02. Following discussion, Trustee Lannerd moved for approval of the annuities and refunds as presented. Trustee Wall seconded the motion, and the motion was approved unanimously.

Death of Members. Ms. Ackerson reported the deaths of nine JRS members since the July meeting. This report is made a part of these minutes as *Exhibit D*.

OLD BUSINESS

No old business was reported.

NEW BUSINESS

No new business was reported.

PUBLIC COMMENTS

Chairperson Walker asked if any members of the public wished to address the Board. There were no members of the public in attendance, and no public comments were submitted prior to the meeting.

ADJOURNMENT

There being no further business to be brought before the Board, Trustee Lannerd moved to adjourn at 11:00 a.m. Her motion was seconded by Trustee Wall. Chairperson Walker reminded trustees that the next Board meeting is scheduled for Friday, January 9, 2026, at 10 a.m., and the meeting adjourned.

Timothy B. Blair, Secretary

Date: _____

APPROVED:

Chairperson Debra Walker