

**JUDGES RETIREMENT SYSTEM OF ILLINOIS  
MEETING NO. 367**

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF TRUSTEES**

**April 25, 2025**

A regular meeting of the Board of Trustees of the Judges Retirement System of Illinois was held on Friday, April 25, 2025, at 10 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:

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

Others present:

Timothy B. Blair, Secretary (Chicago location)  
Jeff Houch, Associate Secretary (Springfield location)  
Samantha Goetz, General Counsel (Springfield location)  
Jennifer Koelle, Senior Investment Officer, Illinois State Board of Investment (Chicago location)

With a quorum present, Chairperson Walker called the meeting to order at 10:00 a.m. Trustee Lannerd motioned to permit Trustee Hoffman to participate remotely, and Trustee Wall seconded the motion, which passed unanimously.

**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.

**REPORT OF THE ILLINOIS STATE BOARD OF INVESTMENT (ISBI)**

Jennifer Koelle, ISBI Senior Investment Officer, directed the Board's attention to the Performance Report dated December 31, 2024, and noted the portfolio is currently valued at \$26.95 billion, an increase of 1.7% over the prior 12 months. She noted the portfolio lost 1.3% in the 2nd quarter of FY 25. Ms. Koelle indicated that there was considerable volatility in some asset classes during the period, noting that asset allocation remains within policy ranges and is reviewed periodically as one of ISBI's most important functions. She added that 48% of invested assets are managed by emerging and minority-owned firms.

Ms. Koelle reported that for the 12 months ending December 31, 2024, the portfolio returned 8.2%, underperforming the Actual Allocation Benchmark by 40 basis points but exceeding the Policy Benchmark by 10 basis points. She then reviewed the performance of individual asset classes, noting the Fixed Income portfolio returned 3% over the period, outperforming the benchmark by 100 basis

points, while the Domestic Equity portfolio returned 24.3% and exceeded the benchmark return by 50 basis points. Ms. Koelle added the Non-U.S. Equities portfolio rose 7% during the period, significantly exceeding the benchmark by 180 basis points. She concluded by reporting that the Private Equity portfolio returned 4.6% while Infrastructure was up 8.8% and Real Estate declined 3.6%.

Following a brief discussion regarding market volatility and performance since December 31, 2024, Chairperson Walker asked for a motion to approve the ISBI report. Trustee Wall moved to approve, and the motion was seconded by Catherine Shannon. All voted in the affirmative. A copy of the December 31, 2024, Performance Report is maintained in the SERS office, and made part of these minutes as *Exhibit A*.

#### **MINUTES OF PREVIOUS MEETING**

The minutes of Meeting No. 366 held on January 10, 2025, were presented by Chairperson Walker for approval. Copies of these minutes were previously submitted to all trustees for preliminary review. Trustee Hoffman moved to approve the minutes. The motion was seconded by Trustee Wall and passed unanimously. A copy of the January 10, 2025, minutes is maintained in the SERS office, and made part of these minutes as *Exhibit B*.

#### **READING OF COMMUNICATIONS**

Chairperson Walker asked Secretary Blair if there were any communications to be presented to the Board. Secretary Blair reported the only communications related to the complaint for administrative review that was filed by Judge Kievlan and Judge Toller and had been provided to the Board when received.

#### **REPORT OF ANY TRUSTEE**

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

#### **REPORT OF SECRETARY**

Preliminary approval of the FY 26 Operations Budget. Secretary Blair presented the FY 26 Operations Budget Request of \$1,123,570, an increase of \$39,390 or 3.69%, from the FY 25 budget. He reviewed the items having a cost impact on the request, including an increase of \$30,080 in the Personal Services line, a decrease of \$4,240 in the Retirement line, an increase of \$9,600 in the Group Insurance line, and a \$3,200 increase in the Contractual line. Secretary Blair explained the Contractual line included an increase of \$21,000 for the Auditor General Fee, as there would be financial and compliance audits in FY 26. This increase was offset by a \$21,000 decrease for actuarial services, as only a review of economic assumptions would be completed in FY 26, compared to a review of all assumptions in FY 25.

Following discussion of the proposed FY 26 operations budget, Trustee Lannerd motioned to approve the FY 26 operations budget of \$1,123,570. The motion was seconded by Catherine Shannon, and all voted in the affirmative.

December 31, 2024, and March 31, 2025, Financial Statements. Secretary Blair reviewed the financial statements for the second and third quarters of FY 25, noting that the System's total YTD receipts were \$158.7 million and \$156.9 million in expenses were incurred, including the payment of \$155.4 million in benefits. He noted that the System disburses approximately \$17.6 million per month in benefits and receives \$14.2 million in employee and employer contributions, requiring monthly

withdrawals from ISBI to pay benefits. Secretary Blair noted that \$36.5 million was transferred from the ISBI investment portfolio in the first 3 quarters of FY 25 and he anticipates \$9 million will be needed in the 4<sup>th</sup> quarter.

Secretary Blair then advised the Board of the expected cashflow needs in FY 26. He explained that monthly benefits could increase to as much as \$18.2 million in July 2025 and potentially \$19 million in January 2026 after the granting of the January 2026 COLA. The employer contribution will increase from \$12.4 million per month in FY 25 to \$12.7 million per month in FY 2026, while employee contributions will increase by less than \$100,000 per month. These dynamics will cause the cash needs of the system to increase from an average of less than \$4 million per month in FY 25 to nearly \$5 million per month in FY 26.

Trustee Wall moved to approve the December 31, 2024 and March 31, 2025 financial statements. The motion was seconded by Trustee Shannon, and all were in favor. Official copies of these financial statements have been made a part of these minutes as *Exhibit C*.

FY 25 Funding Update. Secretary Blair informed the Board that the Comptroller's Office is current in making the State contributions and that there have been no delayed payments in FY 25.

Legislative Update. Associate Secretary Houch briefly summarized Senate Bill 19, which allows retired judges to serve on the Prisoner Review Board without suspension of their JRS pension and Senate Bill 1456, which provides that the Office of the State Treasurer shall develop a Public Pension fiduciary training program, and that each Illinois public pension fund trustee shall annually complete such program. Following brief discussion about Senate Bill 1456, Trustee Shannon motioned to approve the update, which was seconded by Justice Hoffman, and the motion passed unanimously.

## **REPORT OF DIVISION MANAGER**

Annuities and Refunds for Approval. Angie Ackerson, JRS Division Manager, reported that since the last meeting, 17 retirement annuities totaling \$196,443.18 per month, 5 survivor annuities totaling \$47,221.02 per month, and 1 temporary disability totaling \$10,254.13 per month were processed. Two survivor annuity refunds and one death before retirement refund were processed, totaling \$306,317.37, and 7 error refunds totaling \$7,223.15 were processed. Trustee Lannerd moved to approve the annuities and refunds as presented. Trustee Hoffman seconded the motion, and all were in favor.

Deaths of Members. Ms. Ackerson reported the deaths of 8 JRS members since the January meeting.

## **OLD BUSINESS**

No old business was reported.

## **NEW BUSINESS**

Trustee Hoffman reported that his wife, a retired judge, received a letter from CMS and TELUS Health regarding the Total Retiree Advantage Illinois (TRAIL) Medicare Advantage Prescription Drug (MAPD) enrollment. He stated the letter is requiring retired judges and covered dependents who are Medicare eligible to enroll in Medicare Parts A and B as well as enroll in the TRAIL MAPD during the open enrollment window, May 1 – June 2, 2025. Secretary Blair responded that JRS staff would review the retiree rolls and ensure all of those affected by the upcoming changes are contacted. CMS is now

requiring any Medicare eligible individual (retiree or covered dependent of a retiree) to enroll in TRAIL MAPD.

**ADJOURNMENT**

There being no further business to be brought before the Board, Trustee Hoffman moved to adjourn at 11:00 a.m. His motion was seconded by Trustee Wall.

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Timothy B. Blair, Secretary

Date: \_\_\_\_\_

APPROVED:

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Justice Debra Walker, Chairperson