COMPREHENSIVE ANNUAL FINANCIAL REPORT for the fiscal year ended June 30, 2010

Teachers' Retirement System of the State of Illinois
a component unit of the State of Illinois

Statement of Purpose

Retirement Security for Illinois Educators

Mission Statement

Safeguard benefit security through committed staff, engaged members, and responsible funding.

Fiscal Year Highlights

	2010	2009
Active contributing members	170,275	169,158
Inactive noncontributing members	104,222	101,606
Benefit recipients*	97,754	94,424
Total membership	372,251	365,188
Actuarial accrued liability (AAL)	$77,293,198,000	$73,027,198,000
Less actuarial value of assets (smoothed assets beginning in 2009)	37,439,092,000	38,026,044,000
Unfunded actuarial accrued liability (UAAL)	$39,854,106,000	$35,001,154,000
Funded ratio (% of AAL covered by assets, based on smoothed assets beginning in 2009)	48.4%	52.1%
Total fund investment return (loss), net of fees	12.9%	(22.7%)
Expenses		
Benefits paid	$3,927,838,363	$3,653,713,951
Refunds paid	60,349,779	53,709,137
Administrative expenses	16,950,679	17,387,936
Total expenses	$4,005,138,821	$3,724,811,024
Income		
Member contributions	$899,401,028	$876,182,122
Employer contributions	171,420,549	152,328,853
State of Illinois contributions	2,080,729,055	1,451,591,716
Total investment income (loss)	3,679,642,960	(8,688,285,511)
Total income	$6,831,193,592	($6,208,182,820)

* Benefit recipients includes retiree, disability, and survivor beneficiaries.

Many thanks to the teachers and retirees who represent the membership within our retirement system in this year's report. Thanks also to the students (and parents) who donated time for this project.

The cover photo and several other noted photographs were taken by TRS employee **Michael Bracey**.
All other photographs were taken by TRS Communications Department employees **Jael Dunn** *and* **Kathy Pearce**.