



***JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM***

This is to certify that we have prepared an actuarial valuation of the Judges, Family Support Magistrates, And Compensation Commissioners Retirement System as of June 30, 2008.

The valuation was made with respect to the following members:

- a. 225 Retired Members and Beneficiaries.
- b. 220 Active Members with total annual payroll as of June 30, 2008 of \$33,982,381
- c. 1 Vested Former Member.

Based on the above data and the attached actuarial method and assumptions, we determined the following assets and liabilities as of the valuation date:

1. System Liability:	
a. Active Members	\$ 103,332,865
b. Retired Members and Beneficiaries	163,213,503
c. Vested Former Members	469,515
d. Total	<u>267,015,883</u>
2. Assets in fund (at adjusted cost value)	191,718,630
3. Unfunded Accrued Liability (Item 1d less Item 2)	75,297,253
4. Present Value of Vested Benefits	232,527,025

Based on the valuation as of June 30, 2008, projected costs are \$15,399,207 for the fiscal year beginning July 1, 2009 and \$16,207,665 for the fiscal year beginning July 1, 2010.

MILLIMAN, INC.

Rebecca A. Sielman, F.S.A.
Principal and Consulting Actuary

November 19, 2008



*JUDGES, FAMILY SUPPORT MAGISTRATES,
AND COMPENSATION COMMISSIONERS
RETIREMENT SYSTEM*

*ACTUARIAL VALUATION
JUNE 30, 2008*



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November 19, 2008

milliman.com

State of Connecticut
State Employees Retirement Commission
55 Elm Street
Hartford, CT 06106

Re: Connecticut State Judges, Family Support Magistrates, and Compensation
Commissioners Retirement System July 1, 2008 Actuarial Valuation

Members of the Commission:

At your request, we have made a full actuarial valuation of the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System as of July 1, 2008. The results of the valuation are contained in the following report.

Section I contains an Executive Summary in which we present the principal results of this valuation. Details regarding System assets and liabilities are found in Sections II and III, respectively. The Appendices contain information regarding System membership, an outline of the benefit provisions, and a description of the actuarial methods and assumptions employed in this valuation.

The recommended Employer contribution is \$15,399,207 for the fiscal year beginning July 1, 2009 and \$16,207,665 for the fiscal year beginning July 1, 2010.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Rebecca A. Sielman".

Rebecca A. Sielman, F.S.A.
Principal and Consulting Actuary

RAS/cyg 10 CSJ2008Val&Report

<p>JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM</p>
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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

We have performed an actuarial valuation of the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System as of June 30, 2008 to determine the contributions for the Fiscal Years beginning July 1, 2009 and July 1, 2010. The results of this valuation, along with supporting data, are set forth in the following report.

Milliman's work product was prepared exclusively for the System for a specific and limited purpose. It is a complex, technical analysis that assumes a high level of knowledge concerning the System's operations, and uses the System's data, which Milliman has not audited. It is not for the use or benefit of any third party for any purpose. Any third party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

In preparing this report, we relied without audit on employee census data and financial information as of the valuation date, furnished by the State of Connecticut. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

The calculations reported herein have been made on a basis consistent with our understanding of the Connecticut General Statutes with guidance from the Retirement Commission. Additional determinations may be needed for purposes other than meeting funding requirements, such as judging benefit security at plan termination or meeting employer accounting requirements.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge, this report is complete and accurate and all costs and liabilities were determined in conformance with generally accepted actuarial principles and practices based on actuarial assumptions and methods adopted by the System. Future actuarial measurements may differ significantly from the current measurements presented in this report due to actual plan experience deviating from the actuarial assumptions, the natural operation of the plan's actuarial cost method (such as the expiration of an amortization period or additional cost or contribution requirements based on the plan's funded status), and changes in plan provisions, actuarial assumptions, and applicable law. An assessment of the potential range and cost effect of such differences is beyond the scope of this report.

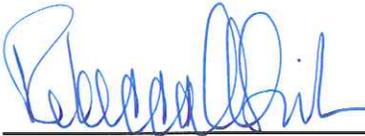
***JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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This report may not be used for purposes other than those listed on the following page without Milliman's prior written consent. If this report is distributed to other parties, we request that it be copied in its entirety, including this section.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

MILLIMAN INC.

November 19, 2008



Rebecca A. Sielman, F.S.A.
Principal and Consulting Actuary

SECTION I

EXECUTIVE SUMMARY

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

EXECUTIVE SUMMARY

PURPOSE OF REPORT

Starting with the June 30, 1998 valuation, complete actuarial valuations are performed only every other year. This report presents the results of the June 30, 2008 full actuarial valuation of the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System. The primary purposes for performing the valuation are:

- to determine the Employer contribution for the Fiscal Year beginning July 1, 2009;
- to determine the Employer contribution for the Fiscal Year beginning July 1, 2010;
- to disclose asset and liability measures as of June 30, 2008; and
- to analyze and report on trends in System assets and liabilities over the past several years.

ORGANIZATION OF THE EXECUTIVE SUMMARY

The executive summary contains the following information:

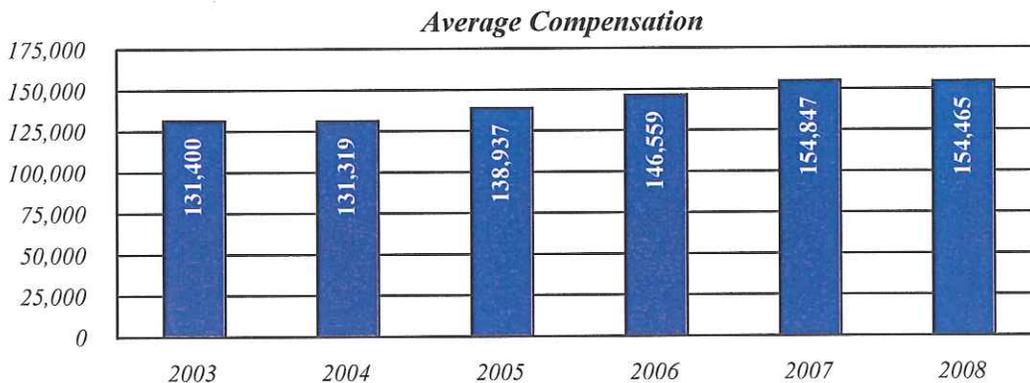
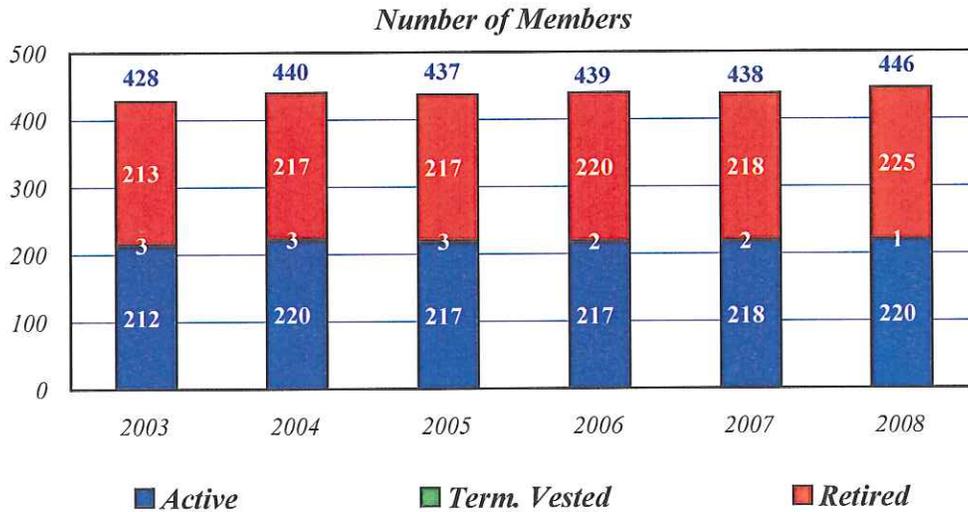
- **Highlights...** shows graphically, key results for several years.
- **Discussion of Results...** highlights the major events influencing this valuation.
- **Principal Results...** contains a summary of comparative statistics for the current and prior valuations.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

**EXECUTIVE SUMMARY
HIGHLIGHTS**

Participants

The number of System members is summarized in the first graph below. The membership of the System increased slightly. The second graph below shows historical average compensation figures. No pay increases have been granted to active members since January 1, 2007.



More statistics on System membership can be found in Appendix A.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

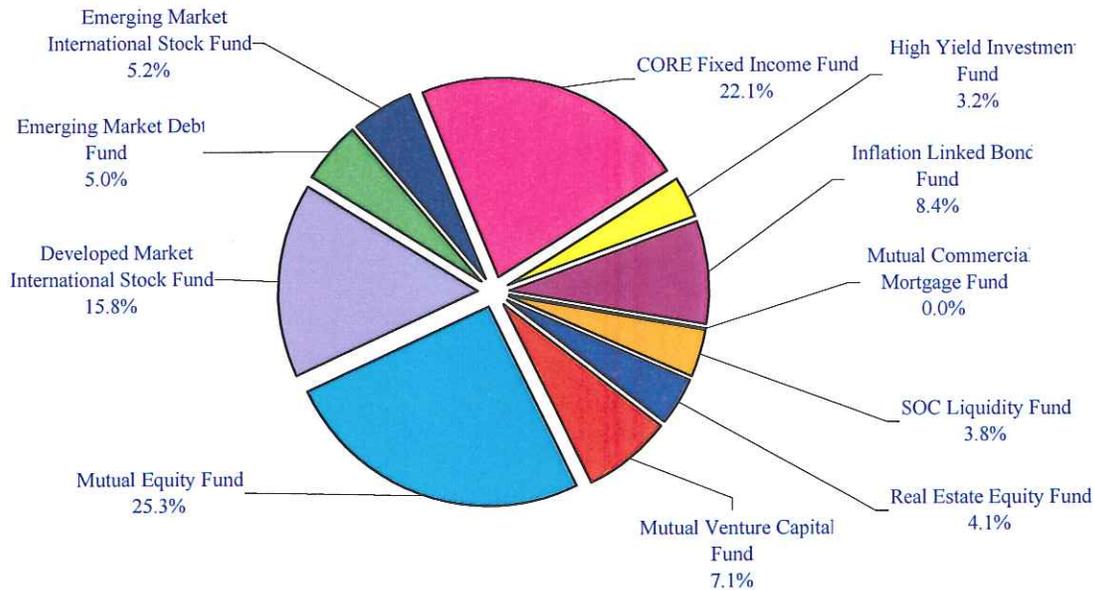
Assets

Due to general market conditions, the actual return was -4.11% on a market value basis compared to 15.97% for the prior fiscal year. The Market Value of Assets as of June 30, 2008 was \$177,244,580 compared to \$187,355,425 as of June 30, 2007.

As part of the valuation process, we smooth market fluctuations to determine the Actuarial Value of Assets. The Actuarial Value of Assets as of June 30, 2008 was \$191,718,630 compared to \$182,392,291 as of June 30, 2007.

During 2007-08 the State made contributions totaling \$13,433,610. In addition, member contributions of \$1,626,268 were received. This cash inflow was less than the cash outflow of \$17,534,293 in benefit payments, refunds and expenses.

The plan held investments on June 30, 2008 as follows:



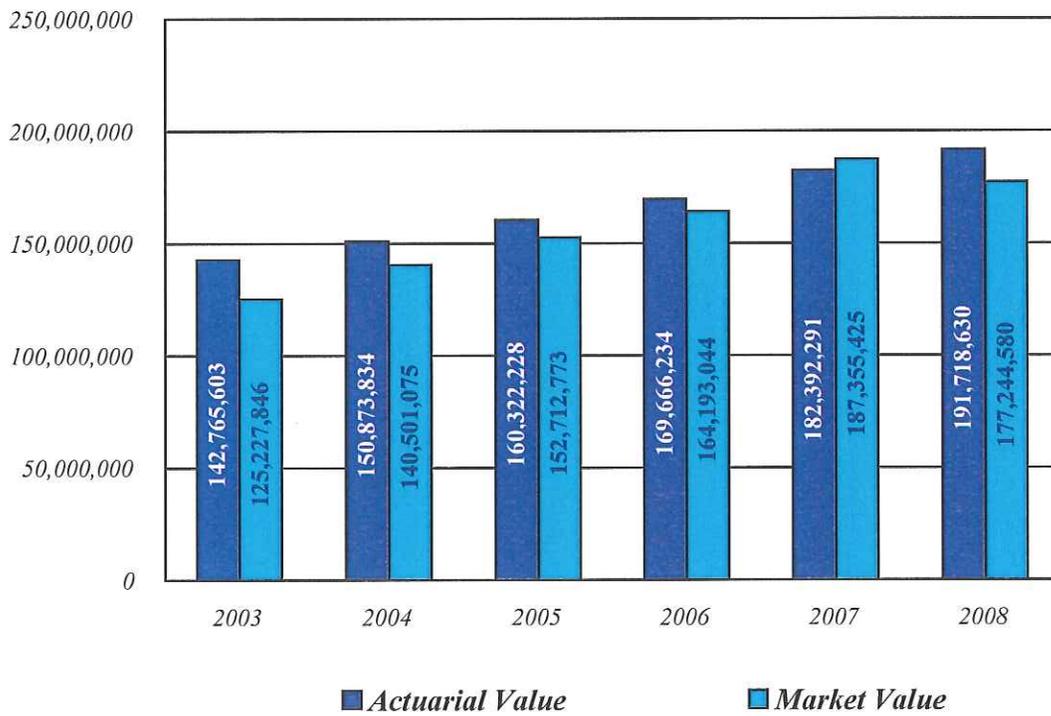
More details on the plan assets can be found in Section II.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

Assets (continued)

Historical information on the level of System assets is shown below:



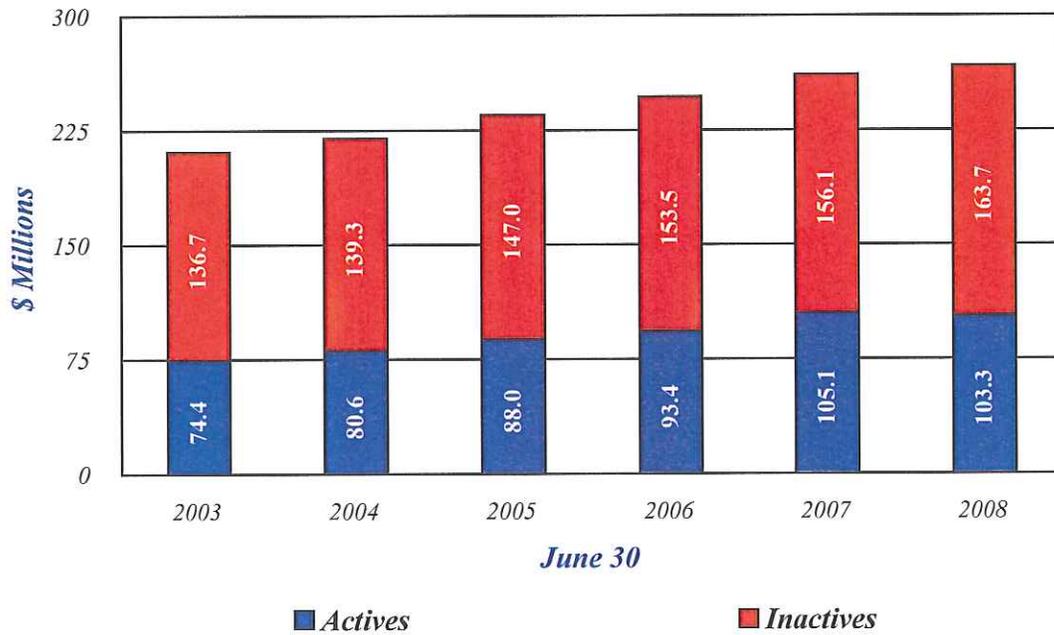
**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

Actuarial Liability

Historical information on the level of System actuarial liabilities is shown below:

Actuarial Liabilities

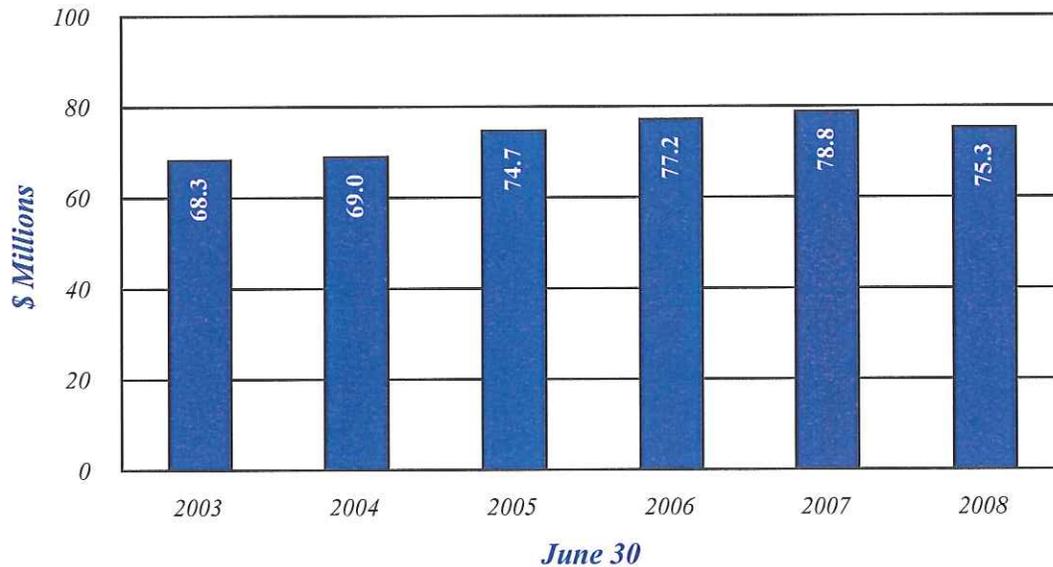


**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

Actuarial Liability (continued)

Unfunded Liabilities



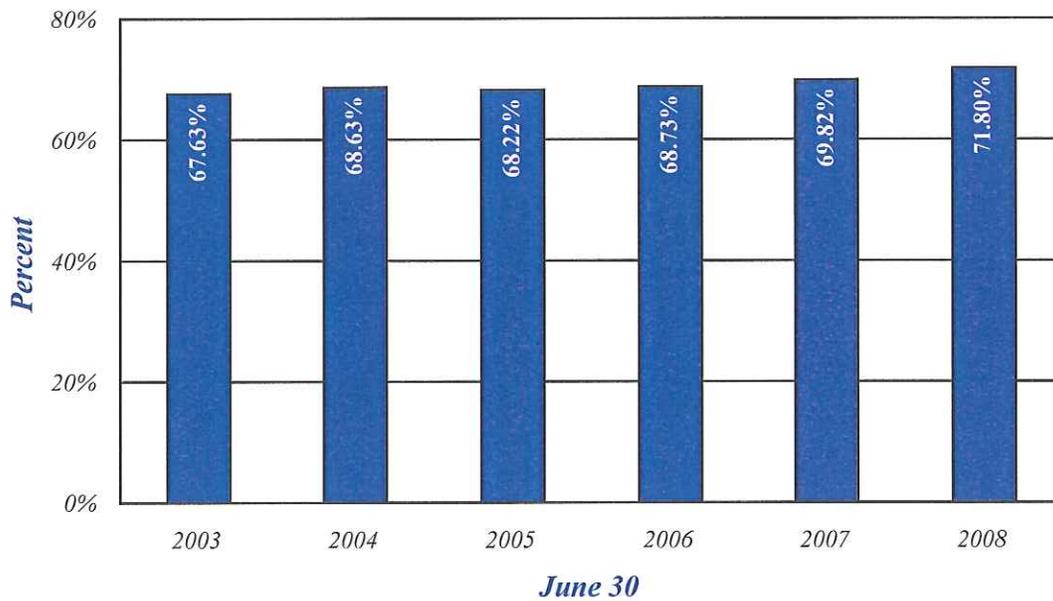
Unfunded actuarial liabilities have increased as expected with this valuation. We expect some increase as a normal outgrowth of the method of paying off this liability: a number of years of increase followed by a gradual decline. This increase was offset by gains because there have been no pay increases since January 1, 2007 and by gains from a higher than expected number of deaths.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

Actuarial Liability (continued)

Funded Ratio



The Funded Ratio looks at the Actuarial Liability compared to the Actuarial Value of Assets.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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**EXECUTIVE SUMMARY
HIGHLIGHTS**

Assumption Changes

Connecticut General Statutes mandate that the experience of the Connecticut State Employees Retirement System (SERS) be studied every five years to examine the continued appropriateness of the actuarial assumptions. In 2008 we performed such a study of the SERS experience covering the period 2003 – 2007. As a result of this study, the Actuarial Subcommittee of the Retirement Commission adopted a number of changes to the actuarial assumptions for this System. Please see Appendix C of this report for a detailed summary of the changes. In brief, the changes are:

Economic Assumptions

Interest Rate - lowered from 8.50% to 8.25%

Salary Scale - lowered from 5.50% to 5.25%

Payroll Growth Rate - lowered from 5.50% to 5.25%

COLA for pre-1981 hires - lowered from 5.50% to 5.25%

COLA for post-1981 hires - lowered from 3.00% to 2.75%

Demographic Assumptions

Healthy Mortality - updated from 1994 GAM table to RP-2000 table with margin for future mortality improvements

Disabled Mortality - updated from PBGC table to RP-2000 table

Disability - decreased rates of disability

We also added an interest factor to the determination of the Employer Contribution to reflect that contributions are paid on a monthly basis.

These changes increased the Actuarial Liability by \$1.2 million and increased the Employer Contribution for FY 2009-10 by \$727,000.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
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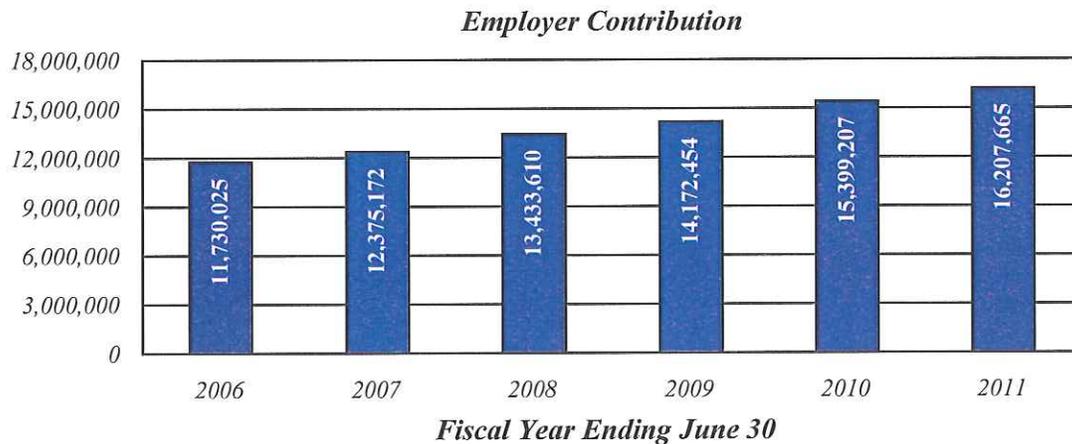
**EXECUTIVE SUMMARY
HIGHLIGHTS**

Contributions

The primary purpose of our actuarial valuation is to take the asset and membership information discussed on the previous pages, apply our actuarial methods and assumptions, and determine a contribution amount that will continue the System on a sound funding basis. The resulting contributions for the two fiscal years in the coming biennial budget cycle are:

<i>(\$ millions)</i>	<i>Fiscal Year</i>	
	<i>July 1, 2009 to June 30, 2010</i>	<i>July 1, 2010 to June 30, 2011</i>
Employer Normal Cost	\$9,857,291	\$10,374,799
Net Amortization Payment Towards Unfunded Actuarial Accrued Liability	4,898,504	5,155,675
Interest Reflecting Timing of Contributions	643,412	677,191
Total Employer Cost	15,399,207	16,207,665
Total Employer Cost as a Percent of Payroll	43.1%	43.1%

More details on the development of the contributions and the allocation of the contributions to the three groups covered by the System can be found in Section IV. Historical contribution amounts are shown below.



This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

**EXECUTIVE SUMMARY
PRINCIPAL RESULTS**

	<i>As of June 30, 2006</i>	<i>As of June 30, 2007</i>	<i>As of June 30, 2008</i>
<i>Membership</i>			
Active Membership			
Number of Members	217	218	220
Payroll	\$31,803,233	\$33,756,727	\$33,982,381
Average Pay	146,559	154,847	154,465
Inactive Membership			
Number of Inactive Members	222	220	226
Annual Retired Members Benefits	\$16,430,182	\$16,965,363	\$17,789,740
Avg. Annual Retired Members Benefits	74,683	77,823	79,066
<i>Assets and Liabilities</i>			
Assets			
Market Value	\$164,193,044	\$187,355,425	\$177,244,580
Actuarial Value	169,666,234	182,392,291	191,718,630
Actuarial Accrued Liability			
Inactive Members	\$153,501,597	\$156,138,665	\$163,683,018
Active Members	93,369,898	105,076,923	103,332,865
Total Actuarial Accrued Liability	246,871,495	261,215,588	267,015,883
Unfunded Actuarial Accrued Liability	77,205,261	78,823,297	75,297,253
<i>Employer Contribution</i>			
First fiscal year in budget cycle	<i>FY 2007-08</i>		<i>FY 2009-10</i>
Normal Cost	\$8,704,772		\$9,857,291
Amortization Payment of Unfunded Liability	4,728,838		4,898,504
Interest	NA		643,412
Total Employer Contribution	13,433,610		15,399,207
Total Contribution as a Percent of Payroll	42.2%		43.1%
Second fiscal year in budget cycle	<i>FY 2008-09</i>		<i>FY 2010-11</i>
Normal Cost	\$9,183,530		\$10,374,799
Amortization Payment of Unfunded Liability	4,988,924		5,155,675
Interest	NA		677,191
Total Employer Contribution	14,172,454		16,207,665
Total Contribution as a Percent of Payroll	42.2%		43.1%

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

SECTION II

ASSETS

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM

SYSTEM ASSETS

Table II-1

Summary of Fund Transactions

	<i>July 1, 2006 to June 30, 2007</i>	<i>July 1, 2007 to June 30, 2008</i>
<i>Market Value as of July 1</i>	\$164,193,044	\$187,355,425
<i>Contributions</i>		
State	12,375,172	13,433,610
Employee	1,594,203	1,626,268
Total	13,969,375	15,059,878
<i>Investment Income</i>		
Interest and Dividends	6,830,347	7,083,498
Accounts Receivable	(35)	0
Realized Gains	1,724,777	13,385,708
Change in Unrealized Gains	17,445,104	(28,105,636)
Total	26,000,193	(7,636,430)
<i>Disbursements</i>		
Annuity Payments	16,744,840	17,491,018
Operating Expenses	10,000	10,500
Employee Refunds	52,347	32,775
Total	16,807,187	17,534,293
<i>Market Value as of June 30</i>	187,355,425	177,244,580
<i>Approximate Rate of Return</i>	15.97%	-4.11%

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

SYSTEM ASSETS

Table II-2

Breakdown of Investments

The following is the Market Value of the Retirement Fund assets as reported to us by the Retirement Division:

	<i>Amount</i>	<i>% of Total</i>
Cash	(\$167.00)	0.00%
Accrued Receivable	7,617.89	0.004%
SOC Liquidity Fund	6,740,854.33	3.80%
Real Estate Equity Fund	7,203,315.58	4.06%
Mutual Venture Capital Fund	12,661,972.89	7.14%
Mutual Equity Fund	44,759,717.00	25.24%
Developed Market International Stock Fund	27,982,390.61	15.79%
Emerging Market Debt Fund	8,811,598.58	4.97%
Emerging Market International Stock Fund	9,147,295.41	5.16%
CORE Fixed Income Fund	39,242,728.53	22.13%
High Yield Investment Fund	5,702,882.92	3.22%
Inflation Linked Bond Fund	14,943,409.40	8.43%
Mutual Commercial Mortgage Fund	40,963.85	0.02%
Total Investments	177,237,129.10	99.996%
Market Value of Assets as of June 30, 2008	177,244,579.99	100.00%

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

SYSTEM ASSETS

Table II-3

Development of Actuarial Value of Assets and Asset Gain/Loss

	<u><i>Market Value of Assets</i></u>	<u><i>Actuarial Value of Assets</i></u>
1. Value on July 1, 2007	\$187,355,425	\$182,392,291
2. Contributions	15,059,878	15,059,878
3. Benefit Payments, Refunds and Transfers	17,523,793	17,523,793
4. Expected Net Investment Income on (1) through (3)	15,830,634	15,408,767
5. Expected Value on June 30, 2008: (1)+(2)-(3)+(4)	200,722,144	195,337,143
6. Actual Market Value on June 30, 2008	177,244,580	
7. 20% of Difference Between Market Value [(6)] and Expected Actuarial Value [(5)] as of June 30, 2008		(3,618,513)
8. Actuarial Value of Assets as of June 30, 2008: (5) + (7), within 20% of (6)		191,718,630
9. Actual Investment Income	(7,646,930)	11,790,254
10. Asset Gain/Loss: (9) - (4)	(23,477,564)	(3,618,513)
11. Rate of Return as of June 30, 2008	-4.11%	6.51%
12. Rate of Return as of June 30, 2007	15.97%	9.24%
13. Change	-20.08%	-2.73%

SECTION III

SYSTEM LIABILITIES

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

SYSTEM LIABILITIES

Table III-1

System Liabilities on the Valuation Date

	<i>As of June 30, 2007</i>	<i>As of June 30, 2008</i>
1. Liabilities for Members in Pay Status	\$154,670,576	\$163,213,503
2. Liabilities for Terminated Vested Members	1,468,089	469,515
3. Total Inactive Actuarial Accrued Liability: (1)+(2)	156,138,665	163,683,018
4. Active Members Actuarial Accrued Liability	105,076,923	103,332,865
5. Total Actuarial Accrued Liability: (3)+(4)	261,215,588	267,015,883
6. Actuarial Value of Assets	182,392,291	191,718,630
7. Total Unfunded Actuarial Accrued Liability: (5)-(6)	78,823,297	75,297,253
8. Funded Ratio (6)/(5)	69.8%	71.8%

SECTION IV

SYSTEM CONTRIBUTIONS

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

SYSTEM CONTRIBUTIONS

Table IV-1

Development of Contribution for Following Fiscal Years

	<u>2009-10</u>	<u>2010-11</u>
(1) Unfunded Actuarial Accrued Liability	\$75,297,253	\$76,610,772
(2) Amortization Period	22	21
(3) Amortization Payment	4,898,504	5,155,675
(4) Total Normal Cost	11,618,987	12,228,984
(5) Expected Employee Contributions	1,761,696	1,854,185
(6) Employer Normal Cost: (4)-(5)	9,857,291	10,374,799
(7) Interest assuming monthly payments	643,412	677,191
(8) Required Employer Contribution, Fiscal Year: (3)+(6)+(7)	15,399,207	16,207,665
(9) Total Payroll Projected for Fiscal Year	35,766,456	37,644,195
(10) Total Employer Cost as a Percent of Payroll: (8)/(9)	43.05%	43.05%

Breakdown of Contribution by Group

	<u>Judges</u>	<u>Compensation Commissioners</u>	<u>Family Support Magistrates</u>	<u>Total</u>
<i>Fiscal Year 2009-10</i>				
Employer Normal Cost	\$8,871,894	\$571,145	\$414,252	\$9,857,291
Amortization Payment*	4,474,097	320,907	103,500	4,898,504
Interest	581,939	38,897	22,576	643,412
Total	13,927,930	930,949	540,328	15,399,207
<i>Fiscal Year 2010-11</i>				
Employer Normal Cost	\$9,337,669	\$601,130	\$436,000	\$10,374,799
Amortization Payment*	4,708,987	337,755	108,933	5,155,675
Interest	612,491	40,939	23,761	677,191
Total	14,659,147	979,824	568,694	16,207,665

* Allocation based on prorata share of total liability

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SECTION V

GASB ACCOUNTING INFORMATION

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

GASB INFORMATION

Table V-1

Introduction

Government Accounting Standards Board Statement No. 25 requires that the Connecticut State Judges and Compensation Commissioners Retirement System disclose certain information on an annual basis regarding the funding of the System. In this section we present this information. Additional information regarding System Assets, a Summary of Plan Provisions and the Actuarial Method and Assumptions can be found in Section II and Appendices B and C, respectively.

The Connecticut State Judges and Compensation Commissioners Retirement System was created by the State of Connecticut to provide defined benefit pensions to its Judges and Compensation Commissioners. The System is described in Chapter 872, State Employees Retirement Act, in Sections 51-49 to 51-51 of Title 51 of the General Statutes of Connecticut.

The State's funding policy is to contribute each year an amount equal to the normal cost plus amortization of the unfunded actuarial accrued liability as a level percent of pay over forty years. This funding policy commenced effective July 1, 1991. The prior policy amortized the unfunded actuarial accrued liability as a level dollar amount. The actuarial assumptions used to calculate the figures reported herein are the same as those used to calculate the contribution level.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

GASB INFORMATION

Table V-2

Statement of Plan Net Assets

	<u>June 30, 2007</u>	<u>June 30, 2008</u>
Cash	\$252.58	(\$167.00)
Accrued Interest	7,617.89	7,617.89
Cash Reserve Account	2,955,085.64	0.00
Mutual Fixed Income Fund	54,751,868.60	0.00
Mutual Equity Fund	71,341,459.69	0.00
Real Estate Fund	4,969,259.65	0.00
International Stock Fund	41,936,216.34	0.00
Commercial Mortgage Fund	46,039.59	0.00
Venture Capital Fund	11,347,624.28	0.00
SOC Liquidity Fund	0.00	6,740,854.33
Real Estate Equity Fund	0.00	7,203,315.58
Mutual Venture Capital Fund	0.00	12,661,972.89
Mutual Equity Fund	0.00	44,759,717.00
Developed Market International Stock Fund	0.00	27,982,390.61
Emerging Market Debt Fund	0.00	8,811,598.58
Emerging Market International Stock Fund	0.00	9,147,295.41
CORE Fixed Income Fund	0.00	39,242,728.53
High Yield Investment Fund	0.00	5,702,882.92
Inflation Linked Bond Fund	0.00	14,943,409.40
Mutual Commercial Mortgage Fund	0.00	40,963.85
Total Investments	187,347,553.79	177,237,129.10
Market Value of Assets as of June 30, 2008	187,355,424.26	177,244,579.99

JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM
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GASB INFORMATION

Table V-3

Statement of Changes in Plan Net Assets

	<i>July 1, 2006 to June 30, 2007</i>	<i>July 1, 2007 to June 30, 2008</i>
<i>Additions</i>		
<i>Contributions</i>		
State	\$12,375,172	\$13,433,610
Employee	1,594,203	1,626,268
Total Contributions	13,969,375	15,059,878
<i>Net Investment Income</i>		
Interest and Dividends	6,830,347	7,083,498
Net Appreciation/(Depreciation)	19,169,846	(14,719,928)
Total Investment Income	26,000,193	(7,636,430)
Total Additions	39,969,568	7,423,448
<i>Deductions</i>		
Annuity Payments	16,744,840	17,491,018
Operating Expenses	10,000	10,500
Employee Refunds	52,347	32,775
Total Deductions	16,807,187	17,534,293
<i>Net Increase</i>	23,162,381	(10,110,845)
<i>Net assets held in trust for pension benefits</i>		
Beginning of Year	164,193,044	187,355,425
End of Year	187,355,425	177,244,580

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

GASB INFORMATION
Table V-4

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (PUC) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a)/c]
September 30, 1994	\$63,188,466	\$148,009,756	\$84,821,290	42.69%	\$18,529,558	457.76%
September 30, 1995	70,473,662	154,656,281	84,182,619	45.57%	19,175,961	439.00%
September 30, 1996	77,824,631	161,529,462	83,704,831	48.18%	19,531,812	428.56%
September 30, 1997	87,835,885	167,483,678	79,647,793	52.44%	20,161,361	395.05%
June 30, 1998	98,117,716	168,054,084	69,936,368	58.38%	21,244,777	329.19%
June 30, 2000	123,448,718	181,700,328	58,251,610	67.94%	24,122,756	241.48%
June 30, 2001	133,052,111	193,755,586	60,703,475	68.67%	26,329,508	230.55%
June 30, 2002	138,400,649	209,353,663	70,953,014	66.11%	28,860,071	245.85%
June 30, 2003	142,765,603	211,097,452	68,331,849	67.63%	27,856,806	245.30%
June 30, 2004	150,873,834	219,848,684	68,974,850	68.63%	28,890,267	238.75%
June 30, 2005	160,322,228	235,007,284	74,685,056	68.22%	30,149,222	247.72%
June 30, 2006	169,666,234	246,871,495	77,205,261	68.73%	31,803,233	242.76%
June 30, 2007	182,392,291	261,215,588	78,823,297	69.82%	33,756,727	233.50%
June 30, 2008	191,718,630	267,015,883	75,297,253	71.80%	33,982,381	221.58%

No value is shown above for June 30, 1999 since an actuarial valuation was not performed as of that date.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

GASB INFORMATION

Table V-5

Schedule of Employer Contributions

<i>Fiscal Year Ending June 30</i>	<i>Annual Required Contribution*</i>	<i>Actual Contribution*</i>	<i>% Required of Funded Contribution</i>
1996	\$9,207,566	\$9,207,566	100%
1997	9,341,737	9,341,737	100%
1998	9,308,947	9,308,947	100%
1999	9,283,249	9,283,249	100%
2000	9,324,239	9,324,239	100%
2001	9,837,077	9,837,077	100%
2002	9,597,785	9,597,785	100%
2003	10,125,658	10,125,658	100%
2004	11,597,773	11,597,773	100%
2005	12,235,665	12,235,665	100%
2006	11,730,025	11,730,025	100%
2007	12,375,172	12,375,172	100%
2008	13,433,610	13,433,610	100%
2009	14,172,454	n/a	n/a
2010	15,399,207	n/a	n/a
2011	16,207,665	n/a	n/a

* Reported on a fiscal year basis (7/1 - 6/30)

APPENDIX A

MEMBERSHIP DATA

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM

MEMBERSHIP DATA

Table A-1

Summary of Membership

	<i>As of July 1, 2007</i>	<i>As of July 1, 2008</i>
<i>Current Employees with Vested Benefits</i>		
Judges	75	100
Compensation Commissioners	6	5
Family Support Magistrates	3	2
Total	84	107
<i>Current Employees Not Yet Vested</i>		
Judges	120	95
Compensation Commissioners	9	11
Family Support Magistrates	5	7
Total	134	113
<i>Total Current Employees</i>	218	220
<i>Former Employees Currently Receiving Benefits</i>	218	225
<i>Former Employees Entitled to Future Benefits</i>	2	1
<i>Total Former Employees</i>	220	226
<i>Total Members</i>	438	446

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

MEMBERSHIP DATA

Table A-2

Reconciliation of Active Members

	Judges	Compensation Commissioners	Family Support Magistrates	Total
Actives as of June 30, 2007	195	15	8	218
- Retired	(9)	(3)	(1)	(13)
- Died	0	(1)	(1)	(2)
- Terminated Vested	0	0	0	0
- Terminated Non-Vested	0	0	(1)	(1)
+/- Transfers	(1)	0	1	0
+ New Participants	10	5	3	18
+ Corrections	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Actives as of June 30, 2008	195	16	9	220

JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM

MEMBERSHIP DATA

Table A-3

Statistics for Active Members

	<i>As of July 1, 2007</i>	<i>As of July 1, 2008</i>
<i>Number of Participants</i>		
Judges	195	195
Compensation Commissioners	15	16
Family Support Magistrates	<u>8</u>	<u>9</u>
Total	218	220
<i>Earnings</i>		
Judges	\$30,472,393	\$30,478,154
Compensation Commissioners	2,265,931	2,371,649
Family Support Magistrates	<u>1,018,403</u>	<u>1,132,578</u>
Total	33,756,727	33,982,381
<i>Average Earnings</i>		
Judges	\$156,269	\$156,298
Compensation Commissioners	151,062	148,228
Family Support Magistrates	127,300	125,842
Total	154,847	154,465
<i>Average Age</i>		
Judges	57.6	57.8
Compensation Commissioners	55.3	50.8
Family Support Magistrates	59.0	56.3
Total	57.5	57.2
<i>Average Service</i>		
Judges	10.5	10.7
Compensation Commissioners	10.1	5.9
Family Support Magistrates	10.0	6.2
Total	10.5	10.2

Note: New entrant earnings have been annualized.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

**EMPLOYEE DATA
Table A-4**

Analysis of Active Members by Age and Service

Age \ Service	Number of Members											All Years	
	0 to 5	5 to 10	10 to 15	15 to 20	20 to 25	25 to 30	30 to 35	35 to 40	40 & up				
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	1	0	0	0	0	0	0	0	0	0	0	0	1
40 to 44	4	2	1	0	0	0	0	0	0	0	0	0	7
45 to 49	10	7	2	0	0	0	0	0	0	0	0	0	19
50 to 54	20	10	8	1	0	0	0	0	0	0	0	0	39
55 to 59	12	16	23	21	0	0	0	0	0	0	0	0	72
60 to 64	4	15	12	9	7	0	0	0	0	0	0	0	47
65 & up	4	8	9	3	9	1	1	0	0	0	0	0	35
Total	55	58	55	34	16	1	1	0	0	0	0	0	220

Age \ Service	Average Salaries											All Years	
	0 to 5	5 to 10	10 to 15	15 to 20	20 to 25	25 to 30	30 to 35	35 to 40	40 & up				
Under 25	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	121,615	0	0	0	0	0	0	0	0	0	0	0	121,615
40 to 44	150,027	138,760	155,051	0	0	0	0	0	0	0	0	0	147,526
45 to 49	153,975	153,144	154,530	0	0	0	0	0	0	0	0	0	153,727
50 to 54	148,822	156,103	157,832	153,994	0	0	0	0	0	0	0	0	152,670
55 to 59	149,861	154,284	157,123	159,791	0	0	0	0	0	0	0	0	156,060
60 to 64	151,854	151,889	155,924	158,062	154,746	0	0	0	0	0	0	0	154,524
65 & up	146,340	149,002	158,123	155,051	159,470	176,677	176,677	0	0	0	0	0	155,835
Total	149,619	152,577	156,996	158,745	157,403	176,677	176,677	0	0	0	0	0	154,465

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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

MEMBERSHIP DATA

Table A-5

Inactive Members

	<i>Number</i>	<i>Total Annual Benefit</i>
<i>Members in Pay Status as of June 30, 2007</i>	218	\$16,965,363
- Died	(15)	
+ New Retirees	14	
+ Surviving Spouse	<u>8</u>	
<i>Members in Pay Status as of June 30, 2008</i>	225	17,789,740
<i>Terminated Vested Members as of June 30, 2007</i>	2	
- Retired	(1)	
+ New Terminated Vested	<u>0</u>	
<i>Terminated Vested Members as of June 30, 2008</i>	1	

APPENDIX B

SUMMARY OF PLAN PROVISIONS

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<p>JUDGES, FAMILY SUPPORT MAGISTRATES, AND COMPENSATION COMMISSIONERS RETIREMENT SYSTEM</p>
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SUMMARY OF PLAN PROVISIONS

This summary of plan provisions is based on our understanding of the benefits as described by the Connecticut General Statutes, summary plan descriptions, and the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System. It is intended only to describe the essential features of the plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

Eligibility Any appointed Judge, Family Support Magistrate, or Compensation Commissioner of the State of Connecticut.

Normal Retirement

Requirement Age 65 or 20 years of service. Retirement is mandatory at age 70.

Monthly Pension 66-2/3% of final compensation reduced for less than 10 years of service by a ratio of service to actual retirement divided by service to age 70, or 10 years, whichever is less.

Benefit Increase For members hired prior to 1981: benefits are increased in line with current compensation of an active member in the same position. For members hired after 1980: benefits are increased in line with a cost of living index, not to exceed 3% per year.

Compensation Basic salary plus longevity payments based on service as follows:

<i>Completed Years of Service</i>	<i>Annual Longevity as % of Compensation</i>
0 - 9	0.0%
10 - 14	1.5
15 - 19	3.0
20 - 24	4.5
25 or more	6.0

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

SUMMARY OF PLAN PROVISIONS

<i>Disability Benefit</i>	Any member becoming permanently disabled is entitled to 66-2/3% of final compensation commencing upon determination of disability. The benefit will be increased after commencement as described under normal retirement.
<i>Death Benefit</i>	The spouse of any member who dies in active service is entitled to 33-1/3% of the final compensation of the member at the time of death commencing the first of the month after death. The spouse of any member who dies after leaving active service and before retirement is entitled to 50% of the benefit the member would have received upon retirement commencing when the member would have been eligible. The spouse of any member who dies after retirement is entitled to 50% of the monthly benefit of the member at the time of death. The benefit will be increased after commencement as described under normal retirement.
<i>Vesting</i>	
<i>Eligibility</i>	10 years of service.
<i>Benefit</i>	<i>Members hired before 1981:</i> 50% of the retirement benefit at 10 years increasing to 100% after 15 years. <i>Members hired after 1980:</i> 100% of the retirement benefit multiplied by the ratio of service at termination to projected service at the earliest retirement age (the earlier of age 65 or 20 years of projected service).
<i>Commencement</i>	Benefits shall commence upon the attainment of the earlier of age 65 or the attainment of 20 years of service (assuming the member had remained in active service).
<i>Employee Contributions</i>	Members contribute 5% of annual compensation. Upon withdrawal prior to benefit eligibility, contributions without interest are refunded.

APPENDIX C

ACTUARIAL METHOD AND ASSUMPTIONS

This work product was prepared solely for the Connecticut State Judges, Family Support Magistrates, and Compensation Commissioners Retirement System for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

ACTUARIAL METHOD AND ASSUMPTIONS

Actuarial Funding Method

The actuarial valuation method used is the *Projected Unit Credit Cost Method*. Recommended annual contributions until the accrued liability is completely funded will consist of two pieces: Normal Cost plus a payment towards the Unfunded Accrued Liability. The contribution is adjusted for interest to reflect monthly payments.

The *Accrued Liability* is determined directly as the present value of benefits accrued to date, where the accrued benefit for each Member is the pro-rata portion (based on service to date) of the *projected* benefit payable at death, disability, retirement or termination.

The *Normal Cost* is then similarly determined as the present value of the portion of the *projected* benefit attributable to the current year.

The *Actuarial Value of Assets* is determined by first projecting the Actuarial Value forward from the beginning of the prior fiscal year based on the actual cash flow during the fiscal year and the assumed interest rate. One-fifth of the difference between this expected actuarial value and the actual market value is added to the expected actuarial value to arrive at the Actuarial Value of Assets. The Actuarial Value is constrained to remain within +/- 20% of the Market Value.

The *Unfunded Accrued Liability* is the Accrued Liability less the Actuarial Value of Assets. The Unfunded Accrued Liability is amortized as a level percent of payroll over a decreasing number of years, starting with 40 years on July 1, 1991.

**JUDGES, FAMILY SUPPORT MAGISTRATES, AND
COMPENSATION COMMISSIONERS RETIREMENT SYSTEM**

ACTUARIAL METHOD AND ASSUMPTIONS

Actuarial Assumptions

<i>Mortality</i>	RP2000 Mortality Table for Annuitants and Non-annuitants projected with Scale AA 15 Years for Males and 25 Years for Females (prior year - 1994 Group Annuity Mortality Table for Males and Females).
<i>Investment Return</i>	8.25% (prior year - 8.50%)
<i>Salary Scale</i>	5.25% (prior year – 5.50%)
<i>Payroll Growth Rate</i>	5.25% (prior year – 5.50%)
<i>Rate of Disability</i>	30% of 1975 Social Security Table (prior year - table based on Connecticut State Employees Retirement System actual experience).
<i>Disabled Life Mortality</i>	75% (males) and 115% (females) of the RP2000 Mortality Table for Disabled Annuitants (prior year - 80% (males) and 60% (females) of the PBGC Disabled Mortality Table).
<i>Turnover</i>	None.
<i>Cost of Living Increases</i>	5.25% (prior year – 5.50%) per year for members hired prior to January 1, 1981. 2.75% (prior year – 3.00%) per year for members hired on or after January 1, 1981.
<i>Retirement Ages</i>	50% are assumed to retire at the later of age 65 and 10 years of service; 50% are assumed to retire at age 70.
<i>Spouse's Benefit</i>	80% of the active members are assumed to be married. Husbands are assumed to be three years older than their wives. Actual spousal information is used for inactive members.
<i>Expenses</i>	None.