Michigan Judges Retirement System

Pension Actuarial Valuation Results as of September 30, 2008

GRS
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Actuarial Valuation Process

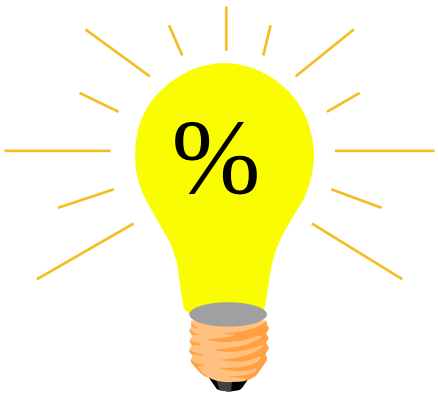
Member Data

Financial Data

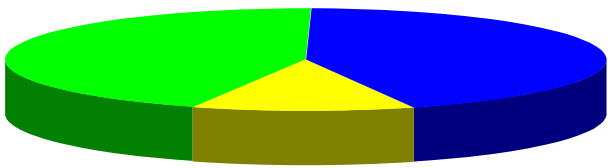
Actuarial Valuation

Plan Provisions

Actuarial Assumptions



Actuarial Cost Method



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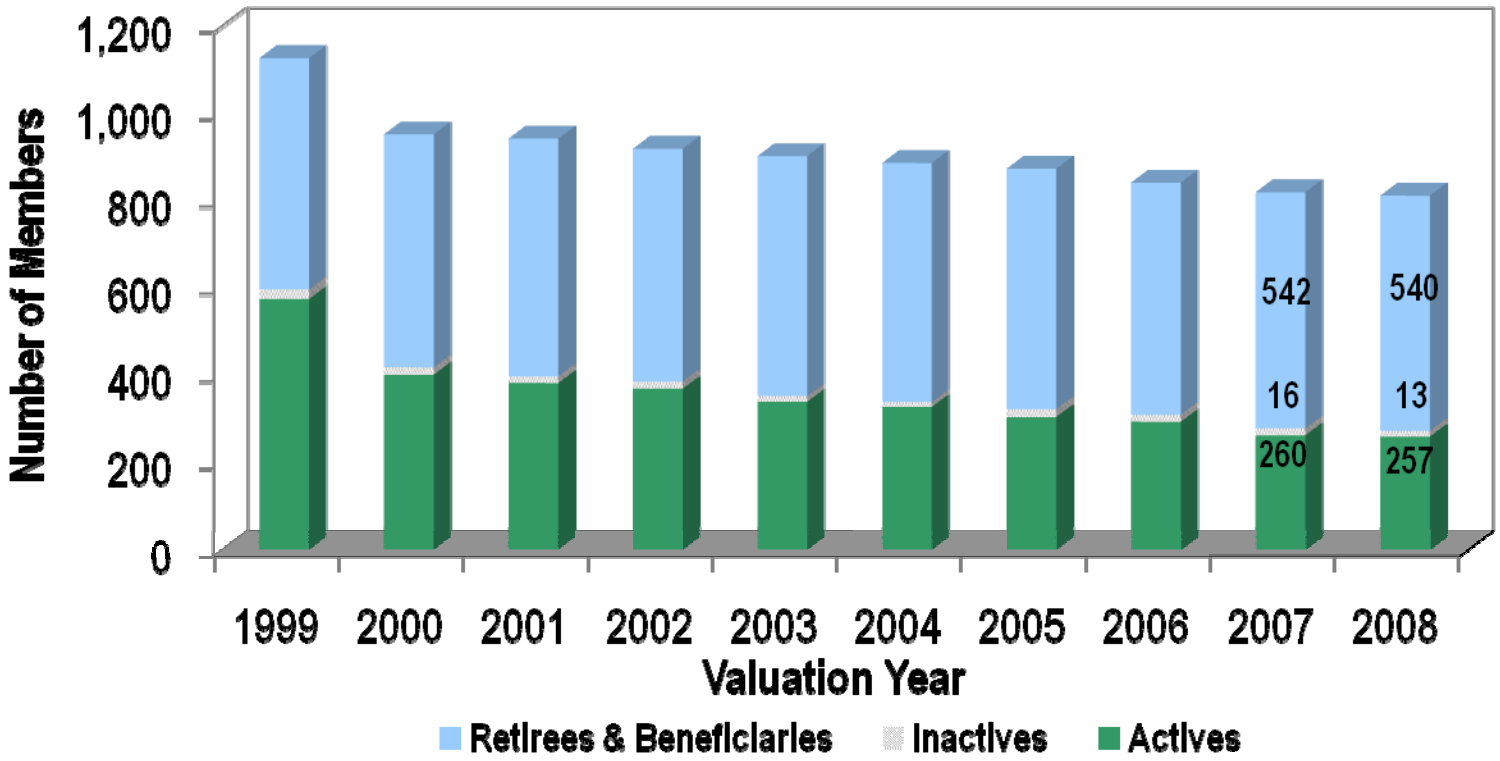
Membership Data



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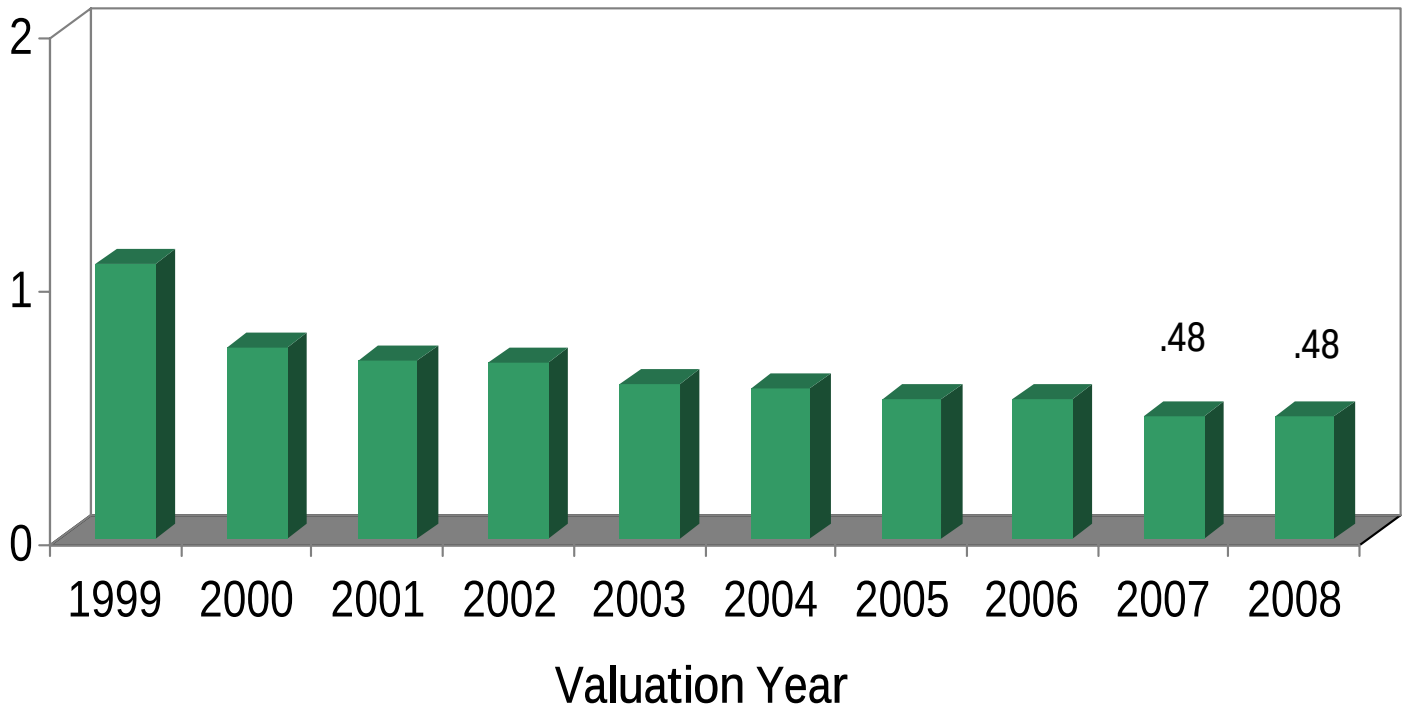
Ratio of Active Members to Pension Benefit Recipients



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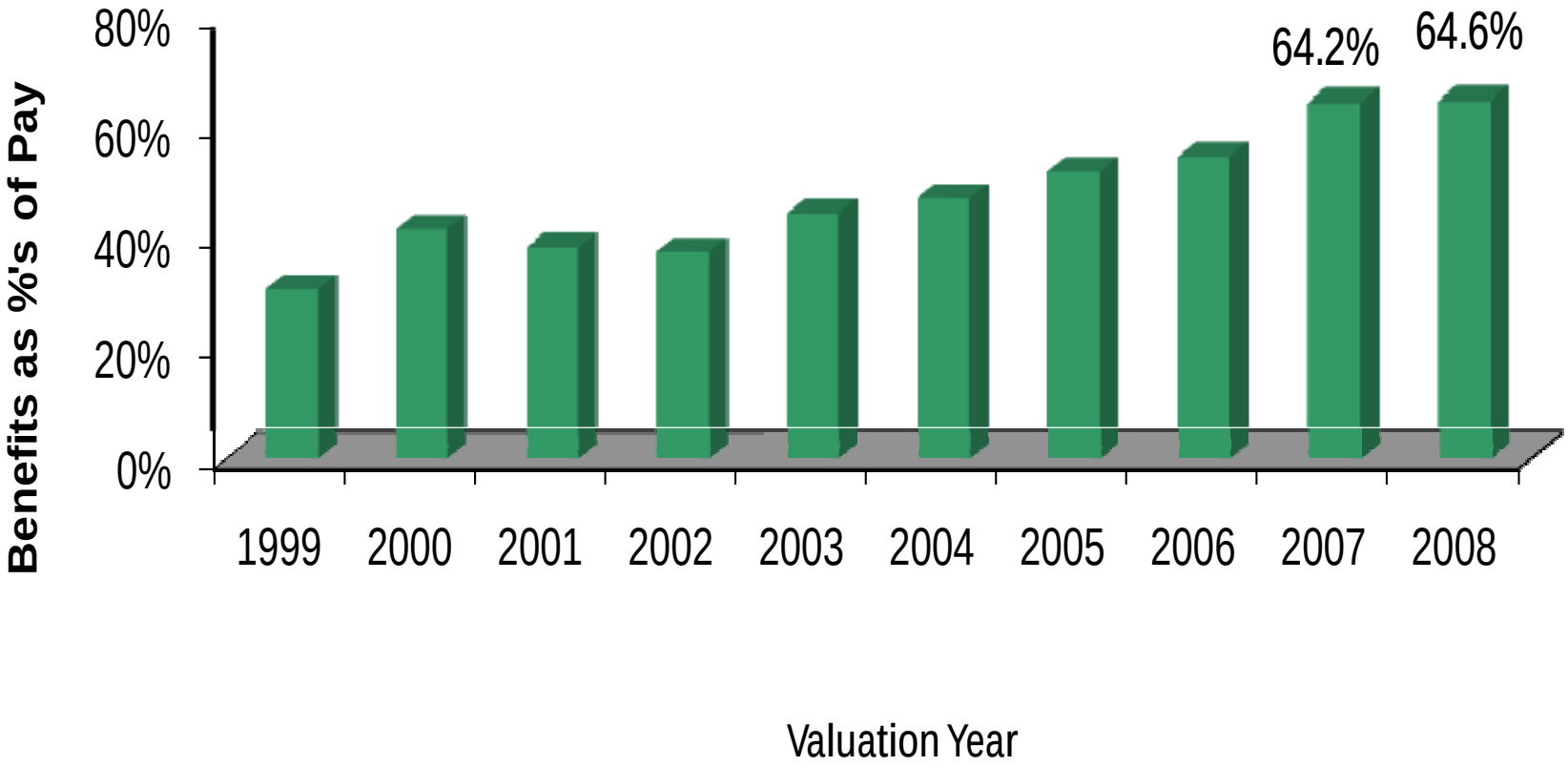
Pension Benefits Expressed as %'s of Active Member Pay



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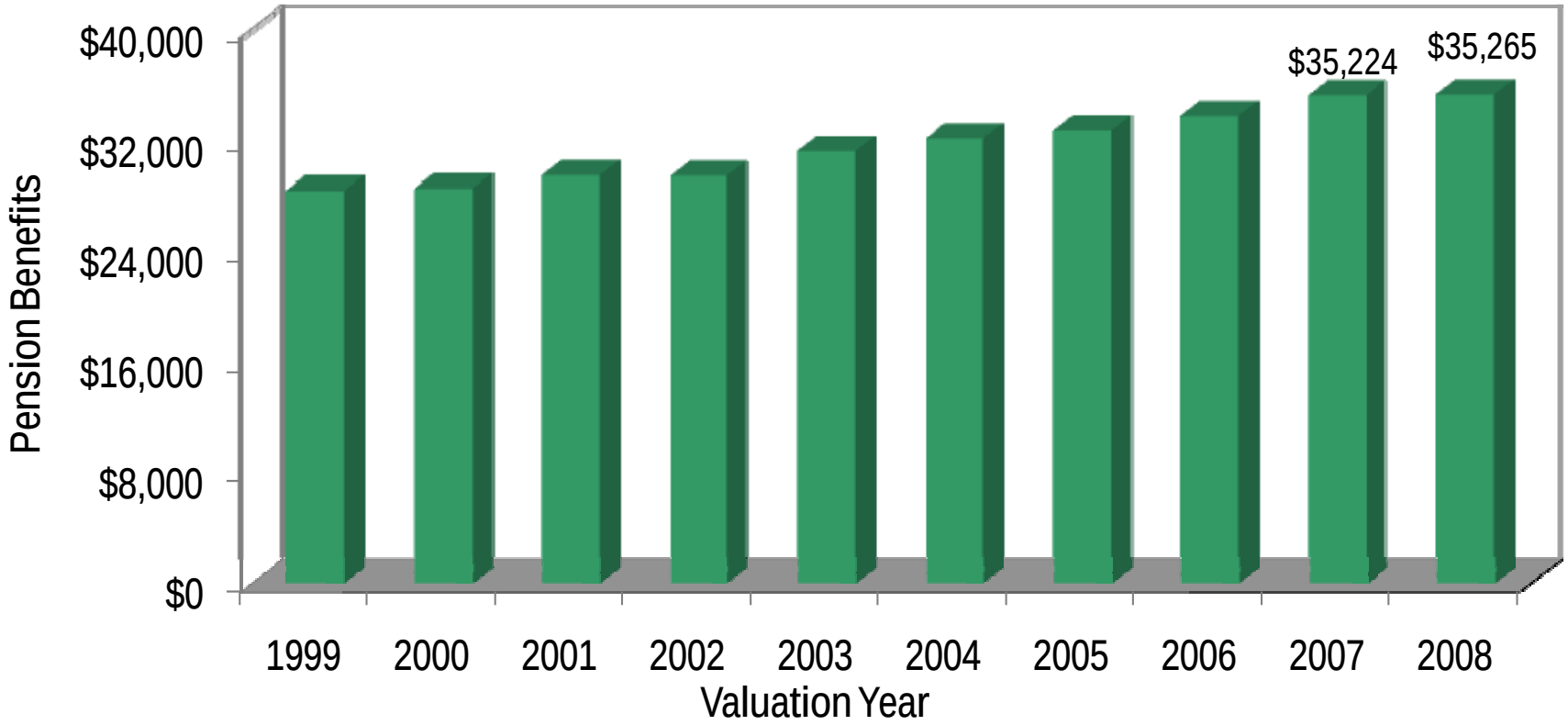
Average Annual Pensions



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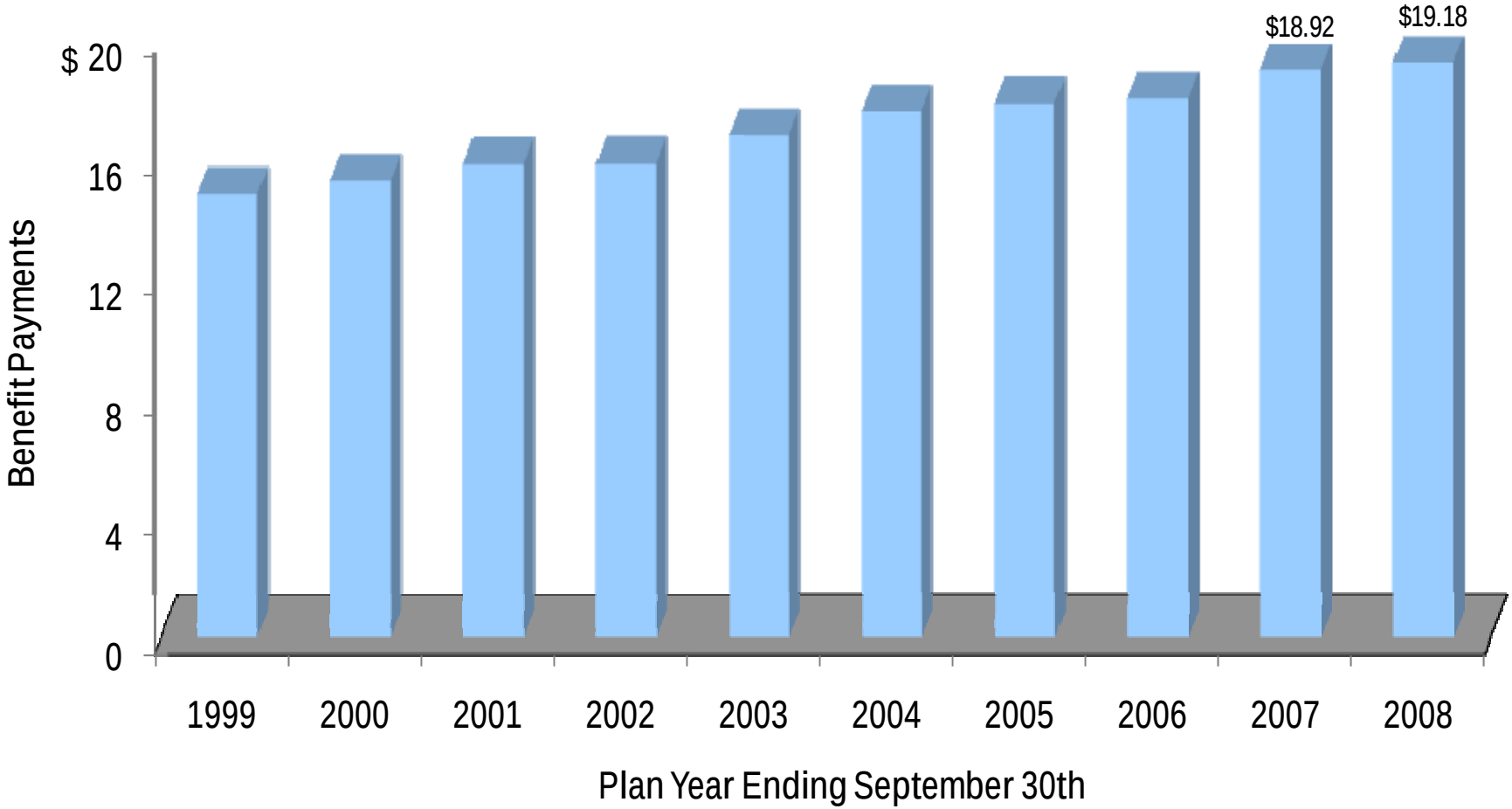
Pension Benefit Payments by Fiscal Year
(Amounts in Millions)



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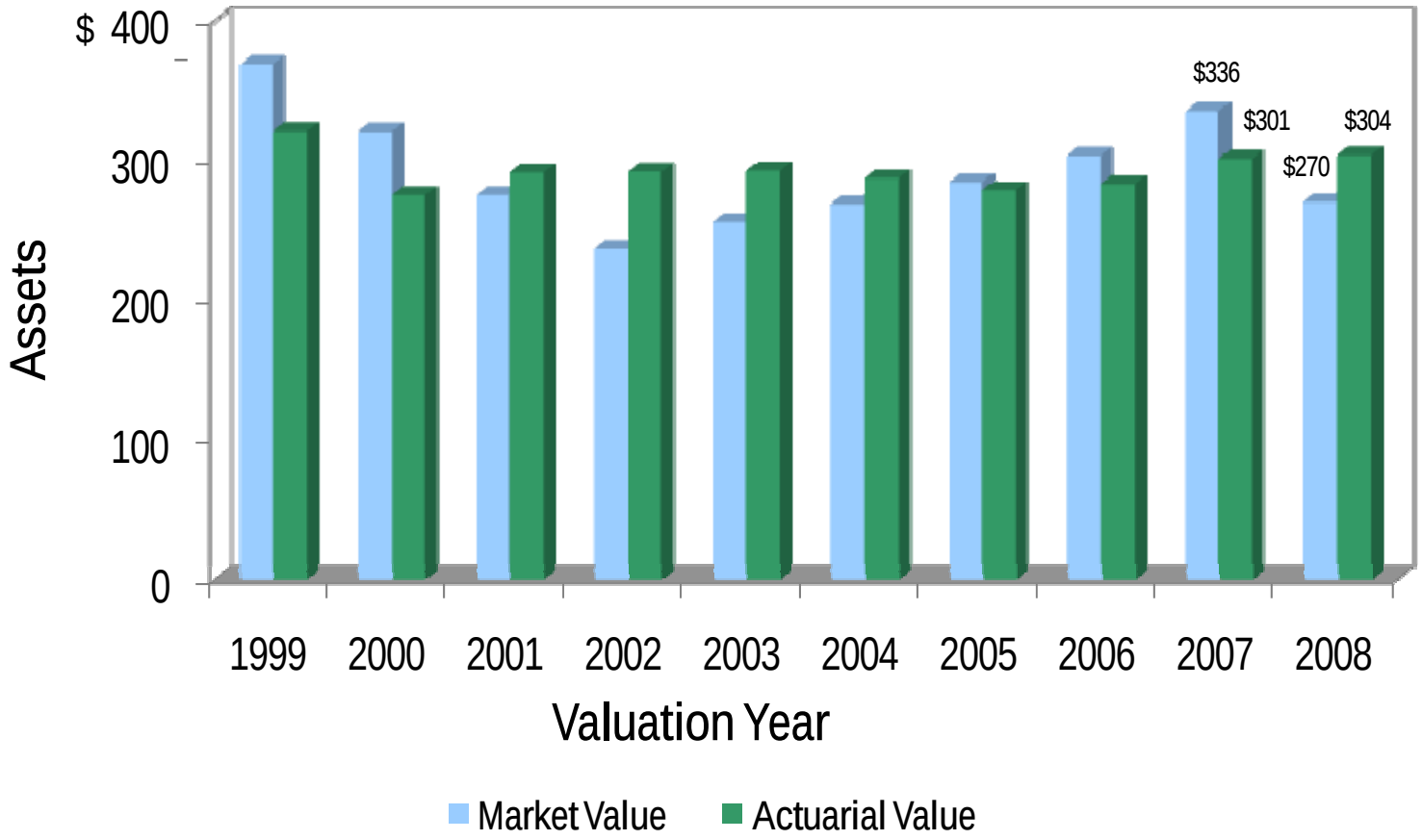
Growth of Pension Assets
(Amounts in Millions)



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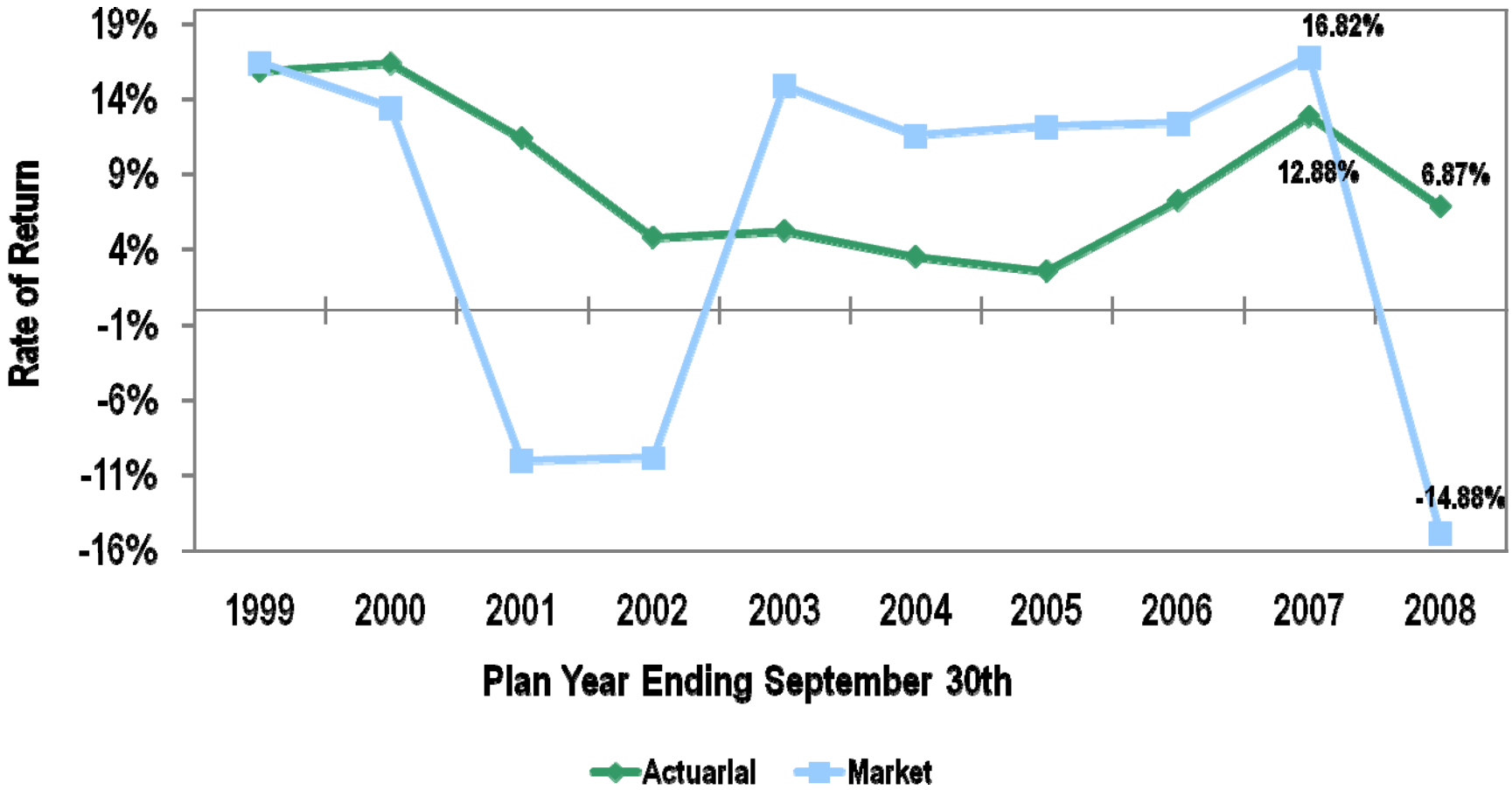
Actuarial & Market Net Rates of Return



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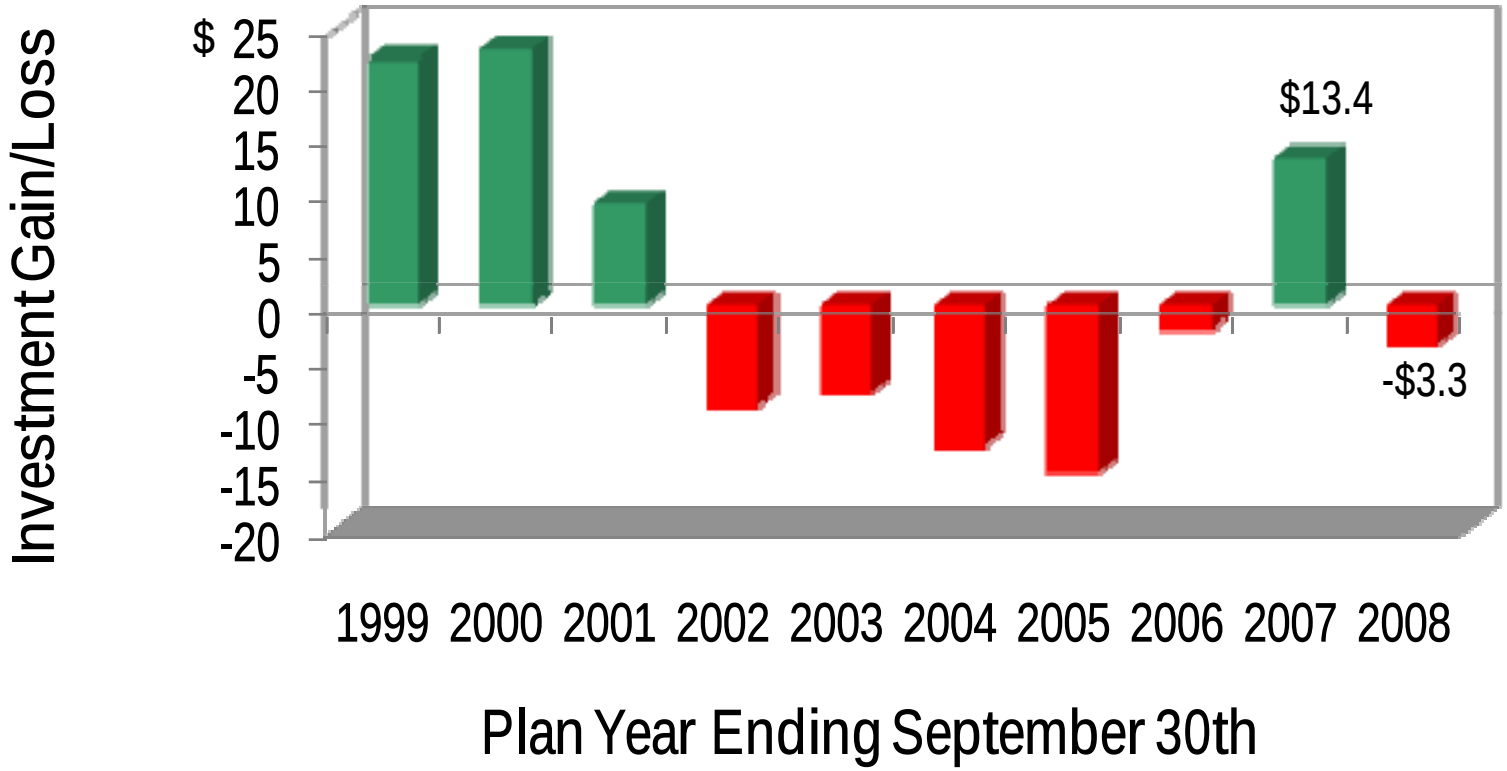
Investment Gain/Loss
(Amounts in Millions)



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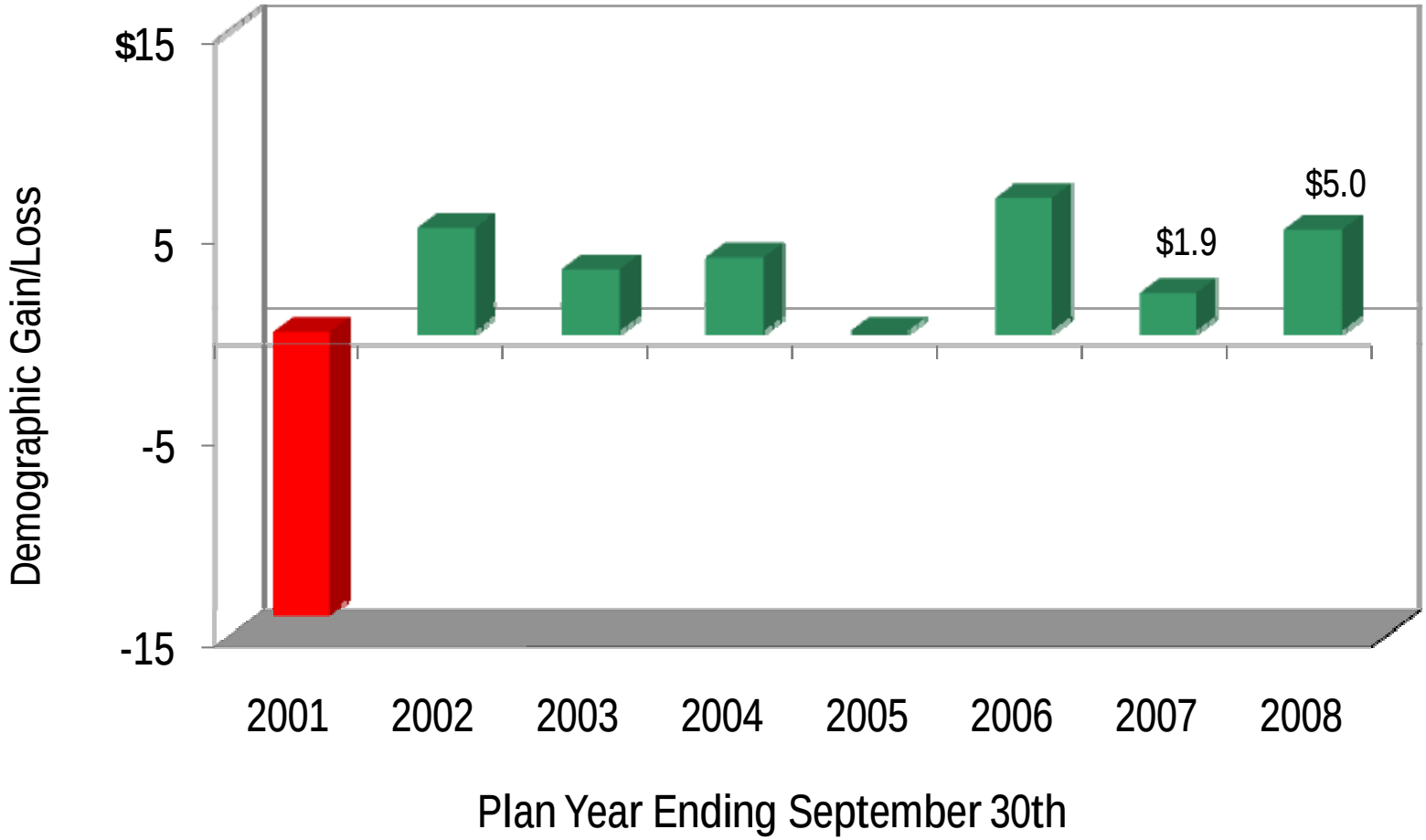
Demographic Gain/Loss
(Amounts in Millions)



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Gain/(Loss) by Type of Activity
(Amounts in Millions)

Plan Year Ending 9/30	2008	2007	2006	2005	2004
New Entrants	$ (0.38)	$ 0.00	$ 0.00	$ 0.00	$ 0.00
Retiree Deaths	(1.41)	0.37	2.39	(3.74)	(1.35)
Investments	(3.29)	13.37	(1.98)	(15.09)	(12.68)
Pay Increases	3.17	3.22	3.52	4.68	4.44
Withdrawal	(0.22)	1.11	0.27	(1.50)	(0.71)
Retirements	3.30	(2.70)	1.59	0.45	1.13
Other	0.57	(0.11)	(1.16)	0.10	0.14
Total	**1.74**	**15.26**	**4.63**	**(15.10)**	**(9.03)**

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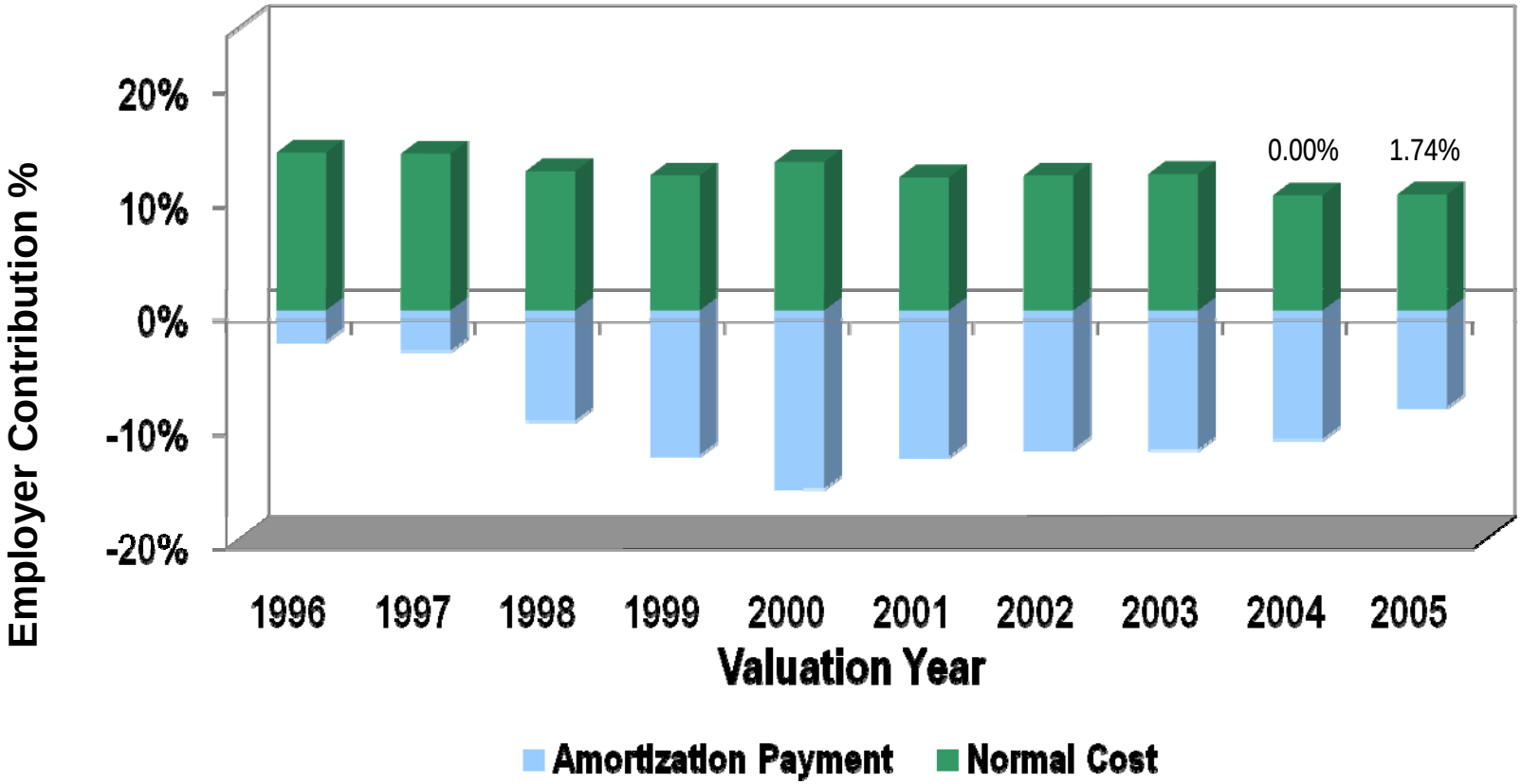
Historical Employer Contribution %'s Valuation as of September 30



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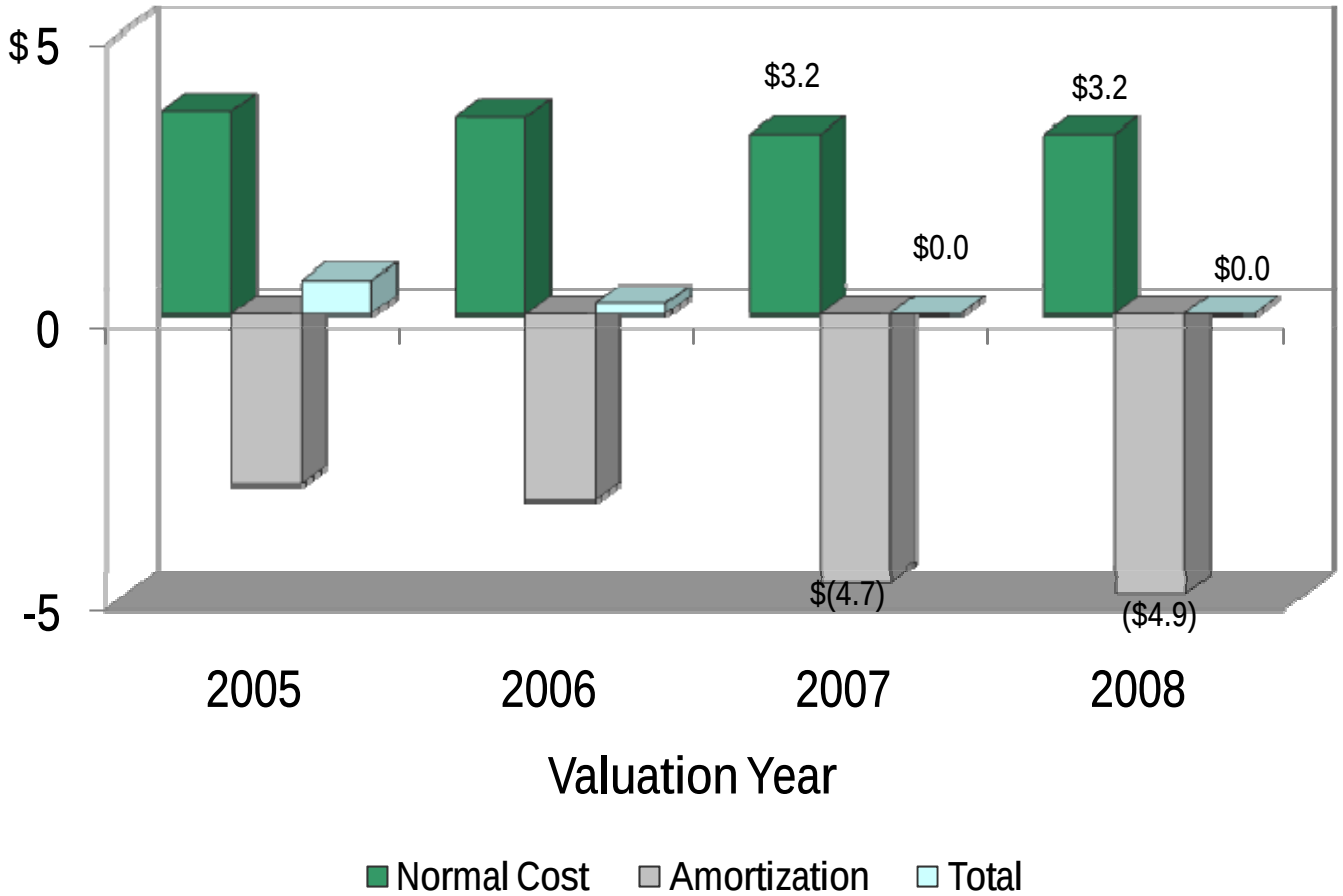
Employer Contribution Dollars Valuation as of September 30 (in Millions)



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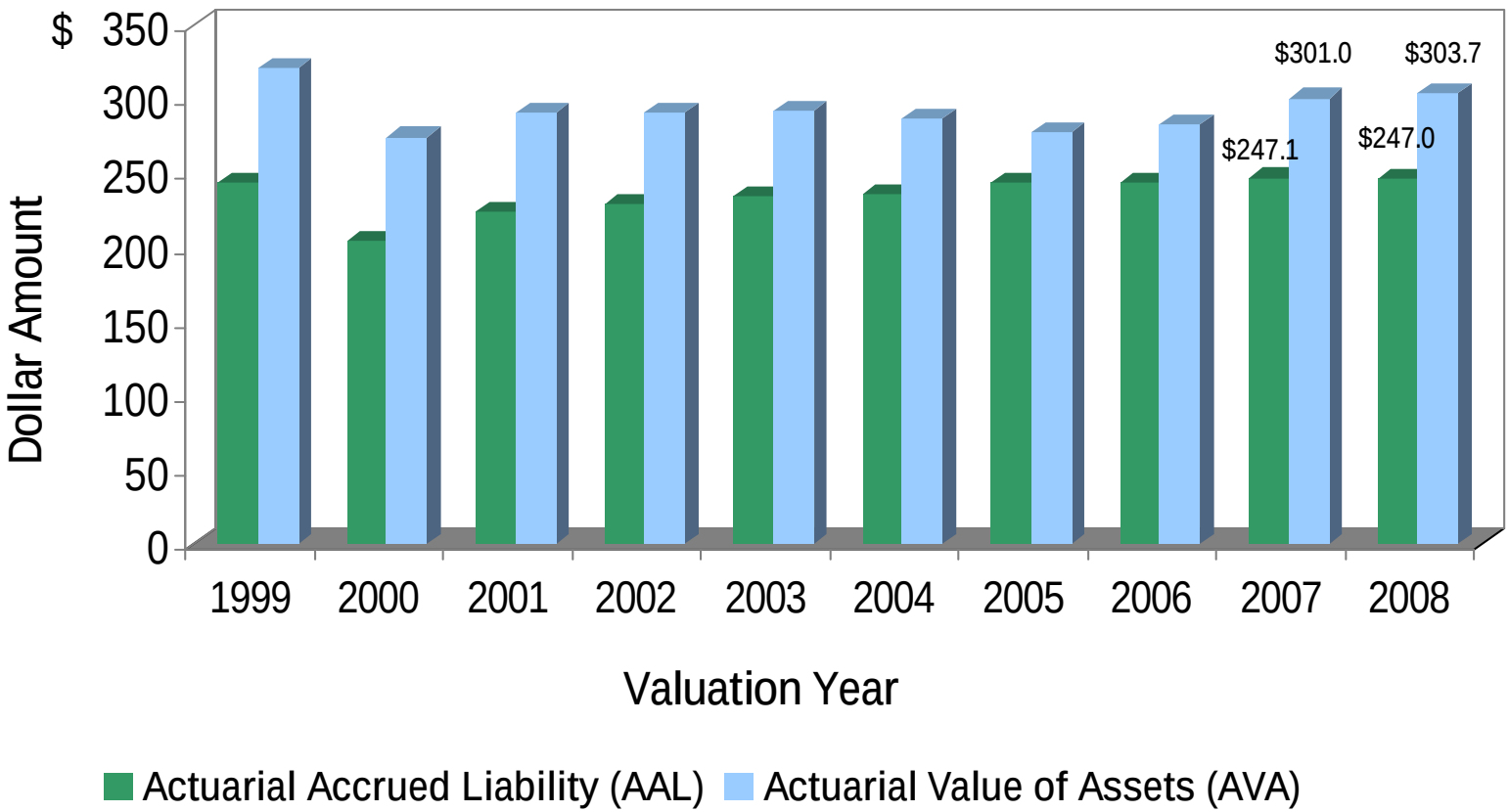
Actuarial Accrued Liability Compared to Actuarial Value of Assets (in Millions)



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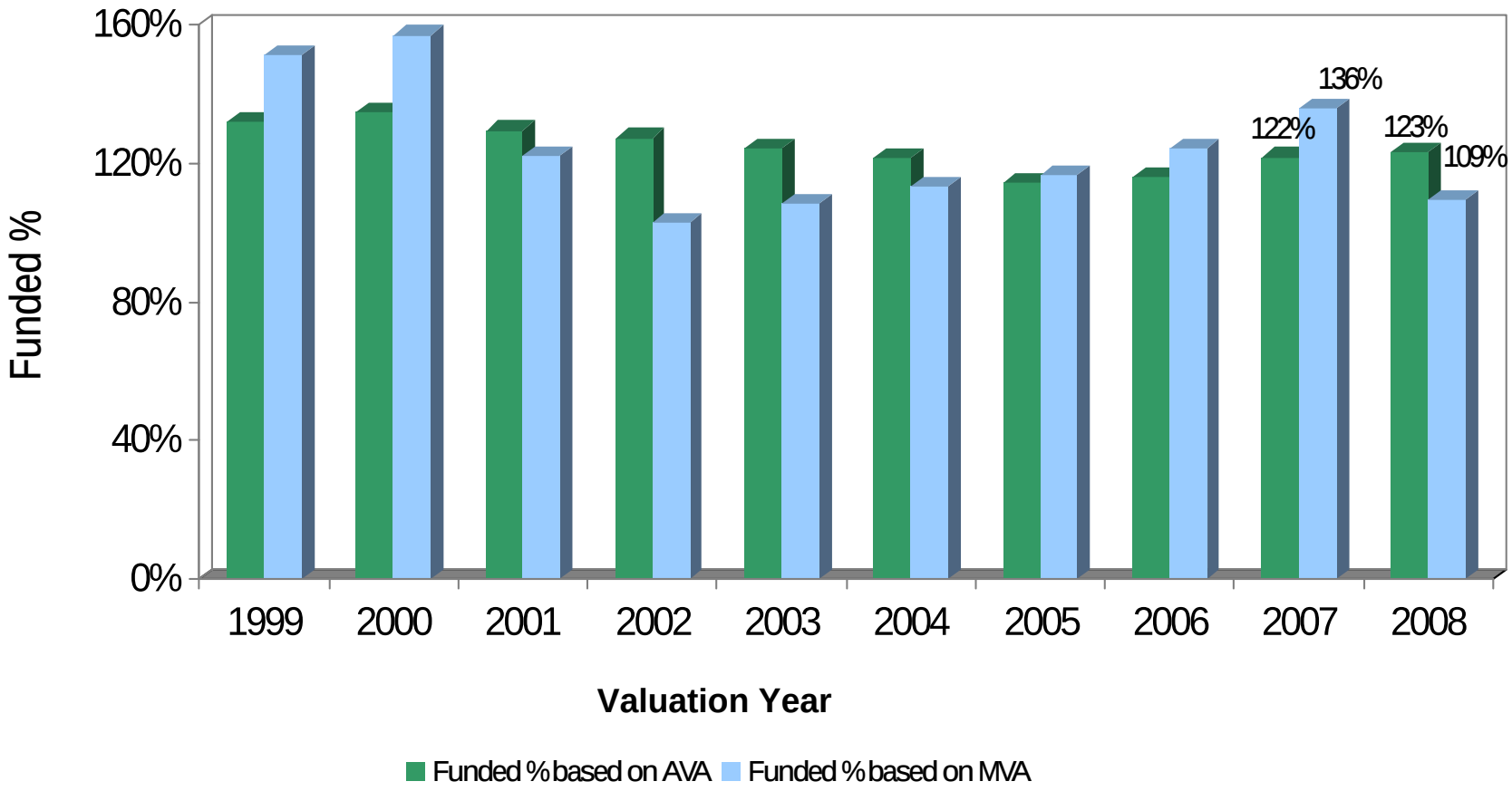
Retirement System Funded % Based on Actuarial Value and Market Value of Assets



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Comments on the Investment Markets

- Investment markets have been very volatile.
- Valuation is based on a 5-year smoothed value of assets.
  - Reduces the volatility of the valuation results.
- 9/30/2008 smoothed value of assets was higher than market value.
  - Meeting the actuarial assumption will require average future market returns over 8%.
- 9/30/2008 valuation results based on market value:
  - Funded percent would be 109.2% (instead of 123.0%).
  - Employer contribution would be $1,246,556 (instead of $0).

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