

## **SURS Approves FY 2022 State Contribution, Allocates Millions to Renewables Fund**

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**Champaign, IL** - The State Universities Retirement System (SURS) Board of Trustees on Oct. 15 certified the System's preliminary state contribution for fiscal year 2022 at \$2,102,981,000, an increase of \$107,214,000 from FY 2021. The state's contribution to the College Insurance Program (CIP) was also certified at \$4,834,221 for FY 2022.

Each year, an independent actuary retained by SURS evaluates the System and determines the required state contribution under the formula outlined in Illinois law (40 ILCS 5/15-155). The formula requires the state to make an annual contribution to SURS that will allow it to reach a funded status of 90% by the end of fiscal year 2045. Several actuarial assumptions impact the state contribution including the investment return, mortality rates and salary growth.

The preliminary contribution must be reviewed by the state actuary. The board must certify the final state contribution for fiscal year 2022 by Jan. 15, 2021.

### **Real Assets Commitment**

The board approved a \$100 million commitment to BlackRock's Global Renewable Power Fund III, subject to successful contract negotiations. The fund seeks to invest across the spectrum of climate infrastructure assets, with a focus on renewable power generation, and energy storage and distribution.

This allocation reflects SURS commitment to environmental, social and governance (ESG) issues; specifically, renewable power assets that can generate risk-adjusted returns. SURS continues to place a high priority on ESG initiatives in accordance with Illinois Public Act 101-0473, the Illinois Sustainable Investing Act.

### **Private Equity Commitments**

The board reviewed the objectives of the overall private equity portfolio and considered measures to better reach fund objectives. Those include approval of:

- A \$40 million commitment to Mesirow Financial Private Equity Fund VIII-B to increase exposure to co-investments within the existing Mesirow portfolio. Co-investments offer a cost-effective means to gain private company exposure.
- A \$100 million commitment to expand the existing private equity portfolio managed by Fairview Capital Partners. The allocation will be focused on the small end of the diverse-owned venture capital and buyout universe and is designed to complement SURS' existing private equity portfolio.

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