



June 20, 2019

The Honorable J.B. Pritzker
Governor of the State of Illinois
207 State House
Springfield, Illinois 62706

Re: Recertification of Required State Contribution to the State Universities Retirement System for
State Fiscal Year 2019

Dear Governor Pritzker:

Section 15-165(a-15) of the Illinois Pension Code requires that on or after June 15, 2019, but no later than June 30, 2019, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the State contribution to the System for the State fiscal year 2019, taking into account the changes in required State contributions made by Public Act 100-587. The recalculation shall be made using assumptions adopted by the Board for the original fiscal year 2019 certification.

SURS implemented the accelerated pension benefit payment options created by Public Act 100-587 on June 10, 2019, with the earliest elections becoming effective on July 1, 2019. Therefore, SURS has no material experience administering buyout elections that would cause a change in the original utilization assumption of 0% for the buyouts which was recommended by Gabriel, Roeder & Smith (GRS). Additionally, Public Act 101-10 reversed the change made by Public Act 100-587 that required employers to pay the costs attributable to the portion of salary increases in excess of 3% (instead of 6%) during an employee's final rate of earnings period. As a result, SURS does not expect to issue any 3% bills in fiscal year 2019.

For these reasons, the State contribution for fiscal year 2019 is recertified at \$1,655,154,000 which is unchanged from the amount originally certified.

Sincerely,

Martin Noven
Executive Director

Encl: Certification
Recertification Letter from GRS

cc: The Honorable John J. Cullerton, President of the Senate
The Honorable Michael J. Madigan, Speaker of the House of Representatives
The Honorable William E. Brady, Senate Republican Leader
The Honorable Jim Durkin, House Republican Leader
The Honorable Susana Mendoza, Comptroller, State of Illinois
Mr. Joe Butcher, Illinois Office of the Auditor General
Mr. Nyle Robinson, Interim Executive Director, Illinois Board of Higher Education
Dr. Brian Durham, Executive Director, Illinois Community College Board
Mr. Clayton Klenke, Executive Director, Commission on Government Forecasting &
Accountability