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**VOLUME 21, ISSUE 1  
JUNE 2014**

**IN THIS ISSUE:**

Harold G. Downs  
Appointed  
Retiree Trustee



Funding Ratio on an  
Upswing



If Your Rx Coverage  
Is Denied



Benefits of Exercise



Transitions



1st Quarter Markets  
Summary



Tips for Estate Planning



GFOA Award



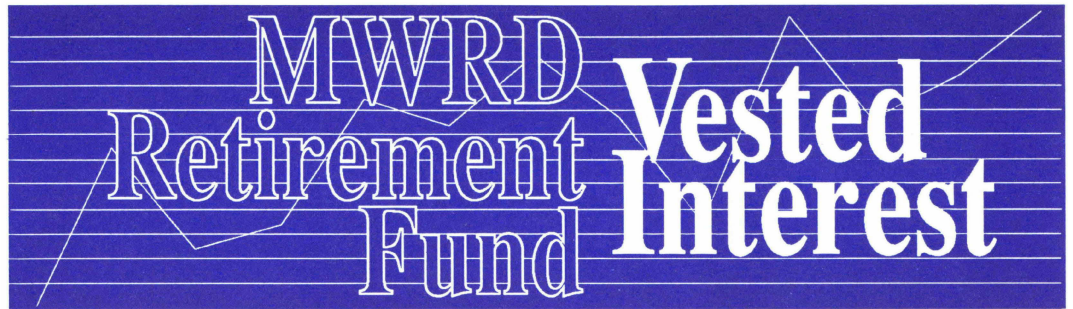
Retirement Fund Vacancy

**VESTED INTEREST**

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Employees & Retirees  
served by the

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**Editors:**  
Retirement Fund Staff



**PROVIDING A FORUM FOR AN ACTIVE MEMBERSHIP**

**HAROLD G. DOWNS APPOINTED RETIREE TRUSTEE**

At the January 22, 2014 Retirement Fund Board of Trustees meeting, the Trustees approved the recommendation made by the MWRDGC Board of Commissioners to appoint retiree Harold G. Downs as Trustee on the Board. Mr. Downs was appointed to serve a 3-year term which began upon expiration of the term served by Joseph W. Rose on January 31, 2014. Mr. Rose was the first Retiree Trustee appointed to the Retirement Fund Board in November 2008.



On behalf of the Board of Trustees, we would like to welcome Mr. Downs, and thank Mr. Rose for his commitment to the Board. We also want to thank the retirees who submitted their letter of interest for the retiree appointed Trustee position.



**Funded Ratio on an Upswing**

The funded ratio is one of the key indicators as to whether a retirement system has sufficient assets to pay all benefits earned to date by all of its members. Our actuary calculates this percent by dividing the actuarial value of assets by the actuarial accrued liability. The good news is our funded ratio increased to 54.1% as of December 31, 2013, from 50.4% in 2012. The primary reasons for the increase are as follows:

- ❖ an increase in the employer's tax levy multiplier from 2.19 to a maximum of 4.19 which went into effect in 2013. The increase resulted in the employer's contribution to the Fund nearly doubling the Fund's tax levy from approximately \$34.7 in 2012, to \$63.0 million in 2013
- ❖ two consecutive years, 2012 & 2013, of special contributions made by the District to the Fund from the District's bond and interest fund in the amount of \$30 million each year
- ❖ double-digit annual returns on investments for the past four out of the five years, which exceeded the actuarial assumption of 7.75%.

We are hopeful that this improvement in funding will continue in the future years.

**If Your Rx Coverage Is Denied . . .**

The initial challenges of the Envision transition are behind us. However, benefits are periodically denied by Envision. If this happens to you, ask the pharmacy why. Common causes for rejection are:



- Prior Authorization is required.
- Your prescription is a part of the Step Therapy Program.
- If you are Medicare eligible your prescription may be denied because it is not covered by Part D and should be processed under the supplemental (wrap) provision.

If any of the above situations apply to you, your pharmacy should call Envision's Customer Service at (800)361-4542.

# Benefits of Exercise

Want to feel better, have more energy and perhaps live longer? Look no further than exercise. The health benefits of exercising are hard to ignore. The benefits are there for the taking, regardless of your age, sex or physical ability. Check out these four ways exercise can improve your life:



1. **Weight control** - exercise can help prevent excess weight gain or help maintain weight loss.
2. **Combats health conditions and diseases** – exercise can help you prevent or manage a wide range of health problems, including stroke, metabolic syndrome, type 2 diabetes, depression, certain types of cancer, arthritis and falls.
3. **Better mood** – exercise stimulates various brain chemicals that may leave you feeling happier and more relaxed. You may also feel better about your appearance and yourself which can boost your confidence and self-esteem.
4. **Boosts energy** - exercise and physical activity deliver oxygen and nutrients to your tissues and help your cardiovascular system work more efficiently. When your heart and lungs work more efficiently, you have more energy to go about your daily routines.

Exercise and physical activity are a great way to feel better, gain health benefits and have fun. As a general goal, aim for at least 30 minutes of physical activity every day. If you want to lose weight or meet specific fitness goals, you may need to exercise more. Remember to check with your doctor before starting a new exercise program, especially if you haven't exercised for a long time, have chronic health problems, such as heart disease, diabetes or arthritis, or other concerns.

## Transitions

### RETIRES (since October 2013)



Alvarado, Gabriel *	Fitzgerald, Martin F.	Higgins, Estelle R.	Mraz, David D.	Rovy, Robert H.
Batang, Virgilio S.	Fitzpatrick, Robert M.	Hlghbaugh, Earl B.	Mugavero, James P.	Salerno, Joseph A.
Beyer, Cynthia L.	Francis, David R.	Hoffman, Nickolas	Myers, Gary P.	Sepsey, John F.
Beyler, Steven C.	Gabb, Nicholas F.	Hopp, William G.	Nodal, Blanca E.	Shaw, Patrick F.
Bhikapurawala, Abbas I.	George, Sunny	Jackson, Russell E.	O'Brien, Joseph M.	Smith, Keith D.
Bradley, Mary	Gonzales, Petcelita L.	Keleghan, Sherry D.	O'Brien, Martin E.	Tucker, Caroloretta
Casarola, Margaret	Gore, Richard A.	Klein, Paul E.	O'Hara, Kevin	Vargas, Esmiro L.
Chodora, James	Gremley, Eugene J.	Leahy, Daniel W.	Orozco, George	Wilczak, Alexander J.
Clarke, Diane D.	Haney, Diana B.	Lemon, George S.	Perkins, Anthony G.	Witecki, Gregory S.
Collins, James G.	Harris, Annie D.	Love, David	Pettis, Mary E.	Witten, Judy D. *
Dakuras, John R.	Heiden, Karen E.	Lyman, Eileen H.	Reidy, Diane M.	Woodson, Terry E.
Deignan, Francis L.	Henry, Robert W.	McDevitt, Kevin H.	Renaud Jr., Robert M.	
Echavarria, Edward M.*	Hickman-Mason, Hope L.	McGovern, Jerome F.	Rohan, Colette M.	

\*Retired from Reciprocal Fund

### DECEASED EMPLOYEES AND RETIREES (since October 2013)

Andreas, Gary C. *	Curry, Lamont C.	Harris, Louise M.	Pacion, Theodore F.	Sinkus, Walter
Bellini, Louis J.	Dallianis, William T.	Hoffman, Eugene	Perisin, Anthony	Swanson, Kenneth R.
Broderick, John J.	Dore, Gerald J.	Kuber Jr., Roy E. *	Purciarello, William D.	Tagler, Michael A.
Castanoli, Dom	Drinane, Geraldine M.	Leong, Stanley *	Robinson, Eddie	Taylor, Aaron
Connolly, John M.	Fisher, Mollie E.	Mardoian, Brian *	Rochester, Richard R.	Varsolona, Carl
Conroy, Jr., Thomas M.	Garner, Mary L.	Matlock, Dorothy V.	Rogers, John W.	Washington, Booker T.
Coyne, William J.	Grosskurth, Gerald E.	Mulchrone, William	Samansky, Lorraine R.	Weldon, Robert A.
Crispo, Joseph T.	Harris, Eddie Lee	Nottingham, William P.	Sims, Marvin *	White, Zelma

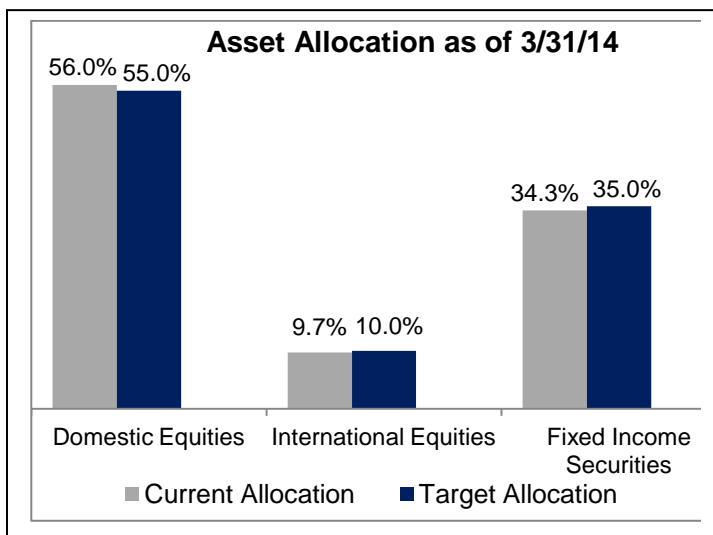
\*Death in Service



- ❖ **U.S. markets:** The first quarter of 2014 ended with small gains for the S&P 500 Index, up 1.8 percent. The minimal changes masked significant volatility with markets taking a dive on news of the Russian invasion of the Crimea before recovering. Volatility returned to the markets driven by unexpected developments on all fronts. Federal Reserve "tapering" of its asset purchase program, made investors more cautious.
- ❖ **International markets:** During the quarter, international markets performed similarly to the domestic markets. The MSCI EAFE Index changed a little, up a minimal 0.7 percent for the quarter, while the MSCI Emerging Markets Index moved down 0.4 percent for the quarter. Both indices were more exposed to risk factors-both geopolitical and economic.
- ❖ **Fixed income markets:** Concerns about Fed tapering and slowing economic growth took center stage. The Barclays Capital Aggregate Bond Index returned 1.8 percent year-to-date. Longer-duration, high-quality bonds have posted the strongest performance, while short-duration bonds and bank loans have struggled in relative terms this year, and emerging market bonds outperformed every other sector.

Fund performance as of 3/31/14	Current Quarter	1 Yr.	3 Yr.	5 Yr.
Total Fund (net of fees)	1.9%	15.7%	9.6%	15.9%
Policy Index*	2.0%	14.1%	10.3%	16.4%

\* Composed of 55% domestic equities (25% S&P 500 Index, 20% Russell Mid Cap Index, 10% Russell 2000 Index), 10% international equities (MSCI EAFE Index) and 35% domestic fixed income (Barclays Aggregate Index).



TOP TEN STOCK HOLDINGS AS OF 3/31/14		
Stock Description	# Shares	\$MM
1. Apple Inc.	15,158	\$8.1
2. Philip Morris Int'l.	66,649	5.2
3. Google Inc.	3,630	4.0
4. Wells Fargo & Co.	81,138	4.0
5. NXP Semiconductor NV	68,090	4.0
6. Nestle SA	50,979	3.8
7. JP Morgan Chase & Co.	89,277	4.1
8. St. Jude Medical Inc.	62,700	3.8
9. Western Digital Corp.	39,921	3.7
10. Exxon Mobil Corp.	36,238	3.5

## Tips for Estate Planning

Creating an estate plan is the most important thing you can do to assure your family is cared for if anything should happen to you. Among other things, a well-crafted estate plan will allow you to designate a guardian to care for your children if you die before they become legal adults. You can also designate a trustee to manage your money after your death, and establish at what age and for what purposes it should be distributed to your child. Here are six tips to help guide you with the process:

1. Consider a guardian for your children
2. Consider your family's financial needs
3. Beneficiary designation
4. Prepare a Power of Attorney for medical and financial decisions
5. Maintain a current list of your assets and key documents
6. Annually review your estate plan

Most people turn to one of two sources for estate planning advice: an attorney or a CPA (or sometimes both). Which you choose will depend to a large degree upon the type of advice you seek and your ultimate estate planning goals.



The Government Financial Officers Association of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to our Fund for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2012. This national award recognizes excellence in the preparation of state and local government financial reports. Our CAFR has received this award for the last 20 years.

A copy of our 2013 CAFR report will be submitted to the GFOA for an award in early June, and may be viewed on-line at [www.mwrdrf.org](http://www.mwrdrf.org).

*Retirement Fund Vacancy*

The Retirement Fund has a vacancy for an Assistant Benefits Analyst. More information can be found on the Fund's website at [www.mwrdrf.org](http://www.mwrdrf.org).

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- e-mail** Contact us via the District's Outlook system, or at our internet e-mail addresses, shown above. Provide a phone number where you can be contacted on weekdays between 8:45 a.m. and 4:30 p.m. (Central time).
- U.S. mail** using the address below.      **Fax** (312) 751-5699

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