

BOARD OF TRUSTEES

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HON. MARIYANA T. SPYROPOULOS
STEPHEN J. CARMODY.
JOSEPH F. KENNEDY
HON. BARBARA J. MCGOWAN
KATHLEEN T. MEANY

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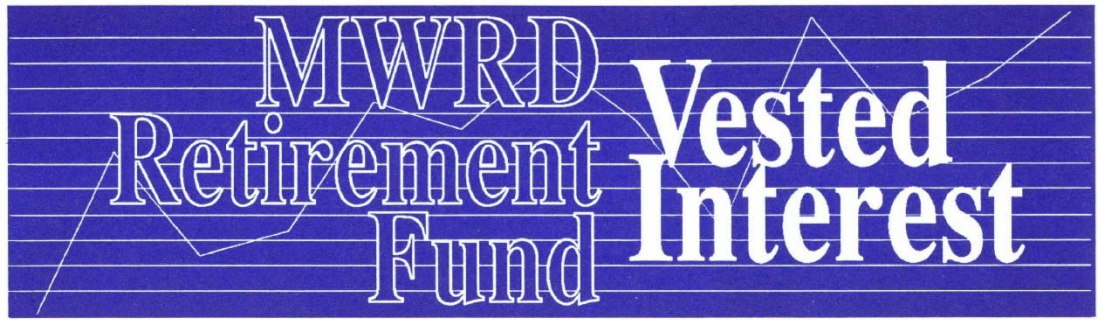
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VESTED INTEREST

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served by the

**MWRD
Retirement Fund**
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Editors:
Retirement Fund Staff



PROVIDING A FORUM FOR AN ACTIVE MEMBERSHIP

Trustee Election

It will soon be time to elect one employee member to the MWRD Retirement Fund Board of Trustees to serve a 4-year term, beginning December 1, 2018. Robert T. Regan's term of office expires on November 30, 2018. The nominations of the two candidates have been certified and approved by the Judges of Election.

The candidates are:



Richard J. Peslak



Robert T. Regan

Election ballots will be mailed on September 28th to District employees eligible to vote as of October 8th. Only ballots received at the Postal Lockbox by 10:00 a.m. on October 16th will be counted. Votes will be tabulated that day. Please do not send your ballot through interoffice mail to the Retirement Fund office.

Contact the Fund office (at x13229) if you do not receive a **complete** set of election materials by October 5th. Unfortunately, retirees are not eligible to vote.

The Retirement Fund encourages all of its active members to vote!

Blue Cross and UnitedHealthcare Member Portals

Annuitants who are enrolled in District-sponsored health insurance have access to online portals to view claims and coverage information.

If you are enrolled in Blue Cross Blue Shield PPO or HMO Illinois, you may create an account on <https://www.bcbsil.com/member>. If you are enrolled in the UnitedHealthcare MAPD plan may create an account by navigating to <https://www.uhcretiree.com>.

Both portals enable members to:

- Check claims status and claims history;
- Order a replacement ID card;
- Confirm enrollment;
- Search for in-network providers;
- Verify prescription drug and pharmacy information; and
- Monitor progress toward meeting annual deductibles.

Retirement Fund staff remains at your service to help with your questions. However, these 24/7 options are available at your fingertips.

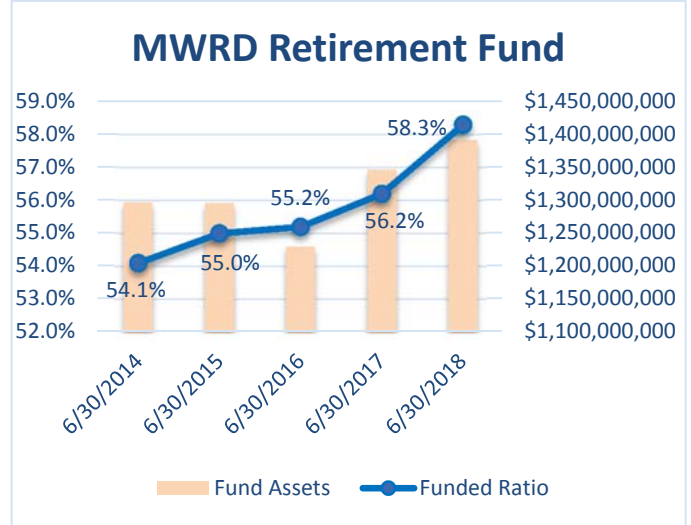
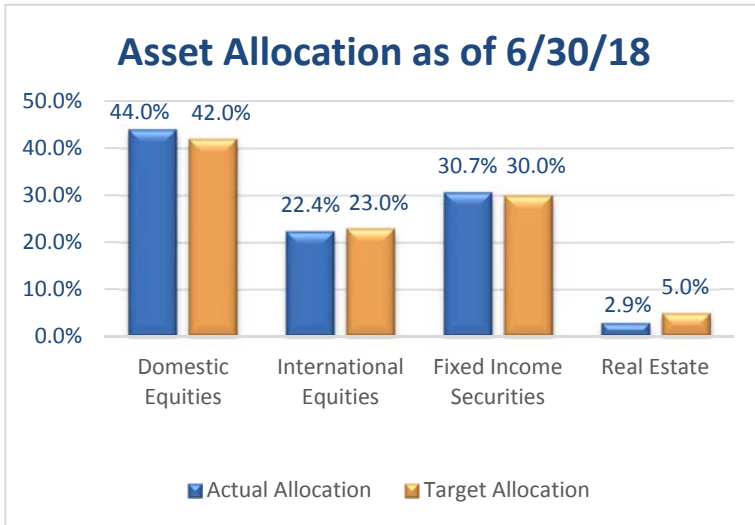
2ND QUARTER FUND REVIEW



FUND'S ASSETS AS OF 6/30/18: \$1.391B

Fund performance as of 6/30/2018	2nd Quarter	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Fund (net of fees)	0.3%	7.5%	6.9%	8.7%	7.5%
Policy Index*	1.0%	8.1%	7.4%	8.7%	7.6%

* The policy index is composed of the following: 21% S&P 500 Index, 10% Russell Midcap Index, 11% Russell 2000 Index, 11% MSCI ACWI ex-US Index, 6% S&P Developed ex-U.S Index, 6% MSCI Emerging Markets Index, 7% Barclays Global Aggregate (Hedged) Index, 23% Barclays Aggregate Index, 5% NFI-ODCE Index.



The Fund's total assets as of June 30, 2018 were \$1.391 billion compared to \$1.347 billion as of June 30, 2017. For the 2nd quarter of 2018, the Retirement Fund returned +0.3% (Net of Fees). The Fund trailed the performance of the Policy Index which had a return of +1.0% during the same period. Year-to-Date through 6/30/18, the Fund returned -0.3% (Net of Fees) vs. +0.4% return for the Policy Index.

Manager Spotlight



Wasatch Advisors is one of the domestic Small Cap equity investment managers who manages assets for the MWRD Retirement Fund. The relationship with Wasatch Advisors dates back to March 2002.

The firm was founded in 1975 and is headquartered in Salt Lake City, Utah. As of June 30, 2018, the firm's AUM was \$17.2 billion. The Fund's allocation to Wasatch was approximately \$78.0 million as of 6/30/18 or 5.6% of total Fund assets. Wasatch's investment philosophy focuses on three types of holdings: - Fallen Angels: growth companies that have suffered a temporary setback - Undiscovered Gems: growth companies trading at value prices - Quality Value: statistically cheap, slower growing companies.

Annualized Performance (Net of Fees) ending June 30, 2018

	Q2	YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception (3/02)
Wasatch Advisors- SCV	7.0%	4.6%	18.3%	11.0%	13.6%	13.1%	12.0%	9.6%
Russell 2000 Value	8.3%	5.4%	13.1%	11.2%	11.2%	11.1%	9.9%	8.7%

Source: Marquette Associates, Inc.

Transitions



RETIREES (since June 2018)

Bartl, Annette M.	Deschamps, Lawrence	McMath, Darryl L.	Okal, John H.	Smith, Jacqueline
Brudnak, Andrew J.	Egan, Brendan J.	McShane, Kevin J.	Ryan, Michael W.	Spiewak, Steven J.
Connelly, Thomas R.	Jackowski, Kathleen A.	Morishita, Scott O.	Satalic, Anthony G.	Stimac, Colleen
DeFilippis, Michael E.	McCague, John M.			

DECEASED EMPLOYEES AND RETIREES (since June 2018)

Adams, Catherine	Heil, Richard W.	Mangan, Thomas J.	O'Brien, Garrett A.*	Wilczak, Louise M.
Bilar, Kenneth J.	Labeledz, Donald R.	Morton, Joannetta A.	Rogalski, Eugene C.	Zirbel, Harold G.
Hanson, Alyce M.	Lema, Charles J.			

*Death in Service

2018 Pre-Retirement Seminars Scheduled

The Retirement Fund, in a joint effort with the Human Resources Department, will be conducting pre-retirement seminars this fall. Invitation letters were sent to employees with the potential to retire before December 31, 2021. The seminars will cover the following topics:



- ✓ MWRD Insurance – Information regarding your medical, dental and life insurance options as you retire and/or relocate; Medicare eligibility implications.
- ✓ Separation Benefits – Learn how termination pay is calculated, including unused sick, holiday and vacation time.
- ✓ Retirement Plan Benefits – Explains the retirement process, clarifies benefit eligibility, illustrates how to estimate and maximize retirement benefits.

Spouses are welcomed to attend the informative seminar. The pre-retirement seminars will be held on the following dates and locations.

<u>Date</u>	<u>Location</u>	<u>Time</u>	<u>Location</u>
September 27, 2018	Egan WRP	4:00 pm - 6:30 pm	Auditorium
October 3, 2018	Stickney WRP	4:00 pm - 6:30 pm	Auditorium
October 9, 2018	Main Office Building	4:00 pm - 6:30 pm	Board Room
October 20, 2018	Stickney WRP	10:30 am - 1:00 pm	Auditorium
October 23, 2018	Main Office Building	4:00 pm - 6:30 pm	Board Room
October 30, 2018	Calumet WRP	4:00 pm - 6:30 pm	Cafeteria

To register, contact Tové Powell at (312) 751-5177. Please note that the presentation originally scheduled for November 8, 2018 in the Auditorium at Stickney has been canceled due to the auditorium remodeling project.



MWRD Retirement Fund Glossary

We have received member feedback about recent mailings indicating that terms that were used were not understood by our readers. We apologize. Allow us to define common Retirement Fund terms.



Annuity: A specified income payable at stated intervals for a fixed period. An annuity from the MWRD Retirement Fund is paid on monthly intervals. Most annuities are payable for the life of the annuitant.¹

Annuitant: Someone who receives an annuity. An annuitant can be a retired employee, or the spouse or child of a deceased employee or retiree, who is eligible for survivor benefits.

Discounted: Early retirement penalty is applied to the calculation of the monthly annuity. A “discounted annuity,” means that the employee meets or exceeds the minimum retirement eligibility requirements² with respect to age and service, but has less than 30 years of service and is under the full retirement age³. The discount for Tier 1 is ½ of 1% per each full month that the member has less than 30 years of service of for each full month that the member is less than age 60. For Tier 2, the discount is ½ of 1% per month for each full month that the member is less than age 67.

Undiscounted: The penalty for early retirement is not applied to the calculation of the monthly annuity because of the member’s attained age and/or service meets certain requirements⁴. Undiscounted **does not** mean that the employee qualifies for the maximum 80% of final average salary annuity.

These are general statements. If you have any questions about how a discount may apply to your retirement annuity, contact the Retirement Fund, or you may read further on the Fund’s website, mwrdrf.org.

¹Children’s annuities and term annuities are not payable for life, but only for the period of eligibility.

² For Tier 1 hired before 6/13/1997, the minimum is age 50 with 10 years of service. For Tier 1 hired after 6/13/1997, the minimum is age 55 with 10 years of service. For Tier 2, the minimum is age 62 with 10 years of service.

³ For Tier 1 full retirement age is 60. For Tier 2, full retirement age is 67.

⁴ For all Tier 1, age 60 with 5 years of service. For Tier 1 hired before 6/13/1997, age 50 with 30+years of service. For Tier 1 hired after 6/13/1997, age 55 with 30+ years of service. For Tier 2, either age 67 with 10 years of service or age 62 with 30+ years of service.

Have You Returned Your Signature Form Yet?



On July 20, 2018, the Retirement Fund sent a signature form to all annuitants and alternate payees receiving benefits pursuant to a QILDRO. It is imperative that you complete, sign, and return the form in the enclosed envelope. If we don't receive your completed form, your monthly payment may be held until we receive the completed form. If you have any questions about the form, please call the office at (312) 751-3222.

District Holiday Party

The District's Holiday and Retirement Party will take place on December 1, 2018 from 6:30 p.m. to 10:30 p.m. at the Guaranteed Rate Field, 333 West 35th Street, Chicago. Last year this event sold out. If you are interested in attending, continue to check your mailbox for the invitation and order your tickets promptly. We hope to see you there.

MWRD Retirement Fund Staff Directory

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Estimates, Duty Disability	Jessica Taylor.....	<u>x3224</u>	<u>TaylorJ@mwrdr.org</u>
Deaths, Refunds, Insurance	Debra Kozlowski	<u>x3227</u>	<u>KozlowskiD@mwrdr.org</u>
Insurance, Address Changes, Forms Requests.....	Sandra Hernandez	<u>x3222</u>	<u>HernandezS@mwrdr.org</u>

Contact us by...

Phone From District locations, dial 1 + the underlined phone extension, above.

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.

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