

Metropolitan Water Reclamation District Retirement Fund

Minutes Special Meeting Board of Trustees Thursday March 7, 2019

Called to order: 2:44 p.m.

Place: 7th Floor Training Room, 111 E. Erie St., Chicago, IL

Presiding: John P. Dalton, President

		<u>Present</u>
Trustees:	John P. Dalton, President	X
	Robert T. Regan, Vice-President	X
	Hon. Mariyana T. Spyropoulos, Secretary	X
	Stephen J. Carmody	X
	Hon. Kimberly Du Buclet	X
	Joseph F. Kennedy	X
	Kathleen T. Meany	
Staff present:	Susan Boutin, Executive Director	
Also present:	Joseph Burns, Attorney – Jacobs Burns Orlove & Hernandez	

Regular Business:

Public Comments

Mr. Dalton solicited public comments; none responded.

Administrative:

Retention of Organizational Consultant

Mr. Dalton stated the Board has been considering bringing on a consultant to look at best practices for the Fund. As recommended by Joseph Burns, Attorney, an introductory meeting had taken place with Mr. Dan Ryan, the Former Administrator of the United Food and Commercial Workers Union (UFCW), Mr. Dalton, Mr. Kennedy and Mr. Burns, resulting in a proposal from Mr. Ryan.

Administrative, continued:

Retention of Organizational Consultant, continued

Mr. Dalton reported that the items Mr. Ryan would be requested to review/identify will include:

- Review of Retirement Fund workflow
- Identify potential service improvements or efficiencies that could be implemented
- Identify some of the needs for HR outsourcing
- Review cybersecurity policies
- Review administrative rules

Mr. Dalton stated the costs would be \$125/hour for on-site work, and \$100/hour for offsite work. Ms. Nancy Maize, formerly the head of the pension department at UFCW, would be a subcontractor on the project at a rate of \$100/hour on-site, and \$75/hour offsite. The two consultants would bill the Fund separately.

Mr. Dalton stated that independent consultant agreement would include a statement that the consultants would abide by the Fund's privacy and confidentiality practices. Mr. Dalton also stated he expects the project to be completed very quickly, but certainly within two months of kickoff.

Mr. Burns stated that Mr. Ryan has offered to waive his fee if the Board is not satisfied with the work product. Mr. Kennedy noted that Mr. Ryan had reviewed the Fund's CAFR prior to the initial meeting, and was able to come to several conclusions even before the project began – the administrative costs of the Fund are very low, funding has been improving, and overall the numbers look good.

Motion was made by Mr. Carmody to retain Mr. Ryan as an outside consultant for an Organizational Development Project, with an anticipated timeline of one or two months, at a cost not to exceed \$15,000. Motion was seconded by Mr. Regan and unanimously approved by roll call vote.

Mr. Burns offered to coordinate with Mr. Ryan and Ms. Boutin to set up the kick-off meeting.

Legal and Legislative

Legislative Update

Ms. Boutin reported that Thomas Walsh, Fund Lobbyist, called today to report that the Fund's HB-2582 (SB 1582), the technical change to the calculation of the final average salary, went through the House Pension Committee unanimously.

Mr. Walsh informed Ms. Boutin that SB-1264 (HB-2664) was introduced by a few State funds as a response to changes in the Unclaimed Property Act that were legislated a couple of years ago; those changes listed some of the retirement systems to which the Unclaimed Property Act does not apply. SB-1264 is to clarify that the sponsoring funds listed as exempt will have to report, but not turn over, unclaimed property to the State Administrator. Mr. Walsh is suggesting that the MWRDRF consider being added to the list of exempt funds and get on the bill as well.

Mr. Walsh informed Ms. Boutin about the Sustainable Investing Act which legislates that ESG be incorporated into a fund's investment policy. The proposed language is currently "shall", not "must", implying a different level of compliance is required. Discussion followed.

Trustees deferred giving staff direction as to whether to opt-in to SB-1264 until the next Board Meeting.

Legal and Legislative, continued

Executive Session for Personnel Matters – In accordance with 5 ILCS 120/2(c)(1)

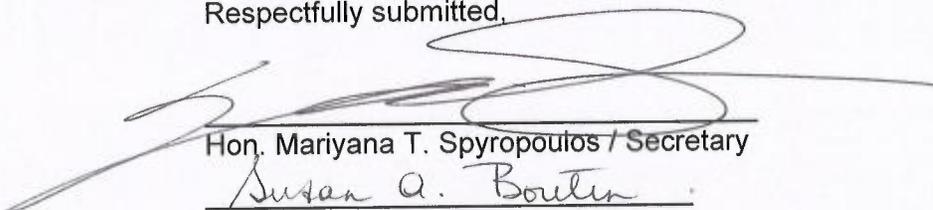
Mr. Carmody made the motion to go into Executive Session to discuss personnel matters. Mr. Kennedy seconded the motion which was unanimously approved by roll call vote.

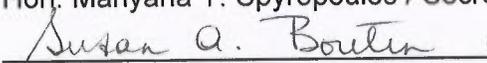
(Whereupon Mr. Dalton recessed the Regular Meeting at 3:01 p.m. The Executive Session was recessed and the Regular Session was reconvened at 4:03 p.m.)

Adjournment

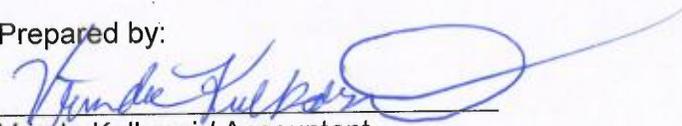
Commissioner Spyropoulos motioned to adjourn, seconded by Mr. Kennedy; whereupon the meeting was adjourned by Mr. Dalton at 4:04 p.m.

Respectfully submitted,


Hon. Mariyana T. Spyropoulos / Secretary


Susan A. Boutin / Executive Director

Prepared by:


Vrinda Kulkarni / Accountant