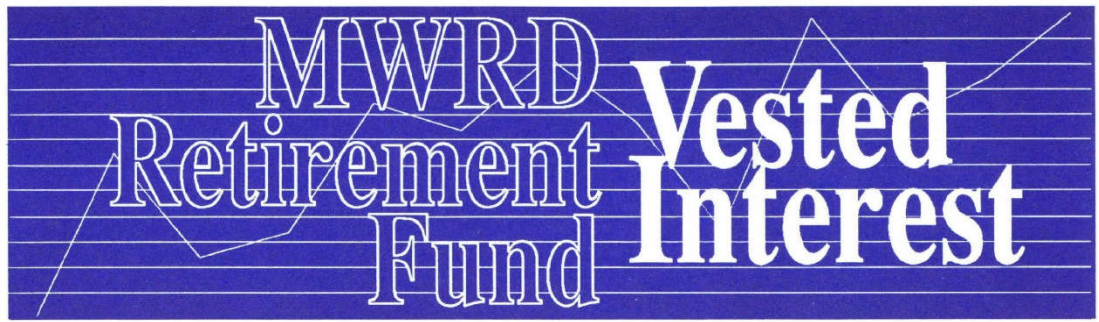


**BOARD OF TRUSTEES**

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PROVIDING A FORUM FOR AN ACTIVE MEMBERSHIP

VOLUME 27, ISSUE 1  
JULY 2019

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Appointed



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**MWRD**

**Retirement Fund**  
111 E. Erie Street  
Chicago, IL 60611  
(312) 751-3222  
[www.mwrdrf.org](http://www.mwrdrf.org)

**Editors:**  
Retirement Fund Staff

**You Say Good-bye ♪**



**Sue Boutin Retires**

Sue Boutin retired from her post as the Retirement Fund's Executive Director, effective May 1, 2019. Sue had served the Fund for a total of 22 years, including 13 years as Executive Director. Sue's leadership and commitment to the Fund were an essential contribution to the growth and security of the Fund. As a fund, we benefited from her vast experience with benefits administration and her passion for helping our members and retirees. Please join us as we wish her the very best in her retirement.



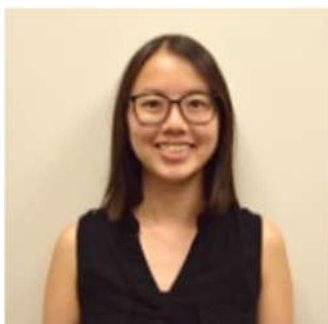
**And I Say Hello ♪**

**Retirement Board Appoints New Director**

The Retirement Board appointed Jim Mohler as the Fund's new Executive Director effective June 17, 2019. Jim comes to the Fund with 28 years of public pension fund experience with the Municipal Employees' Annuity and Benefit Fund of Chicago (the "Municipal Fund"). Jim previously served as the Chicago Municipal Fund's Executive Director. The Municipal Fund has over 70,000 members. In addition to his leadership experience, Mohler has a strong background in investment management for public pension funds. Prior to becoming its Executive Director, he was the Chief Investment Officer of the Municipal Fund for five years. Jim has an MBA from DePaul University.



We look forward to our future under Jim's leadership.



**Ka Yu Cuchra Joins Staff**

On April 15, 2019, Ka Yu Cuchra joined the Retirement Fund staff as its Office Services Assistant. She joins us from a local RE/MAX office where she was the office manager. Prior to coming to the Chicagoland area, Ka Yu lived in Hawaii. She is fluent in Cantonese and Mandarin.

In her spare time, Ka Yu tries to pacify Siri when she says it's time to exercise and ropes in her 2 furry boys who think they are in charge all the time. She also enjoys a good read and

catching up on episodes of Monk.

Ka Yu looks forward to assisting our membership as well as all callers and visitors to the Fund office. Hers is the friendly voice that you hear when you dial the Retirement Fund's main number.

## Investment Update

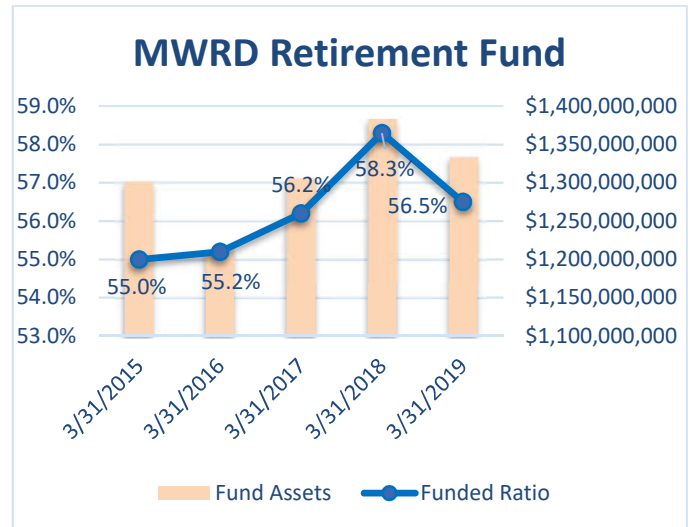
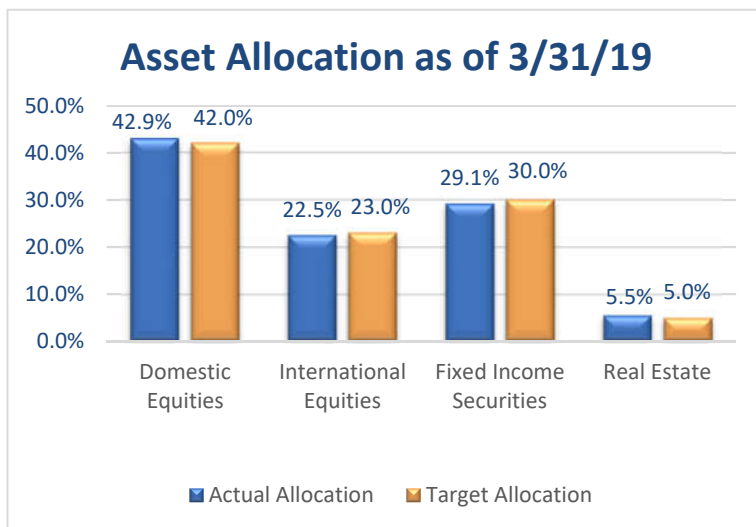


The Fund's total assets as of March 31, 2019 were \$1.33 billion compared to \$1.38 billion as of March 31, 2018 and \$1.24 billion as of 12/31/18. For the 1st quarter of 2019, the Retirement Fund returned +8.4% (Net of Fees). Covering the past ten-year period, we are proud to report the Fund's annualized 10-year return (Net of Fees) as of 3/31/19 was 10.7%. The Fund's 10-year annualized return ranked in the 9<sup>th</sup> percentile of the InvestorForce Public Defined Benefit Net of Fees Universe, outpacing 91% of our peers.

### 1<sup>ST</sup> QUARTER FUND REVIEW

### FUND'S ASSETS AS OF 3/31/2019: \$1.33B

Fund performance as of 3/31/2019	1st Quarter	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Total Fund (net of fees)	8.4%	0.9%	7.8%	5.9%	10.7%
Policy Index	8.9%	2.5%	8.0%	6.3%	11.1%
Actuarial Rate	1.8%	7.4%	7.5%	7.5%	7.6%



### RETIREES (since September 2018)

Join us as we congratulate our recent retirees!

Alvarez, Manuel	Corradino, Dean M.	Haq, Syed Z.	McNamara, James D.	Sakoda, Sidney T.
Anderson, Angela	Dangles, Chris E.	Hickey, Thomas P.	Mendez, Ruben R.	Sandrik, Patricia R.
Bansley, Andrew A.	Day, Darryl	Hicks, Donald	Mondlock, Roger E.	Schaefer, Udo G.
Beckman, Robert R.	Dazzo, Joann M.	Hunt, George E.	Navarrete Jr., Edward R.	Singh, Lal
Blake, Francis M.	DiGiacomo, Robert A.	Johnson, Bruce F.	Neary, John E.	Spieles, Denise A.
Boline, Kevin L.	Dye, Donald	Jones, Scott S.	Nega, Teresa A.	Stolarski, Robert J.
Boutin, Susan A.	Fleming, Michael J.	Joseph, Mathew M.	Nix, Thomas B.	Tang, David
Brescia, Stephen A.	Flores, Ramon	Kauffman, Lisa A.	O'Connell, Susan	Thielen, Mark E.
Brticevich, Mark *	Foy, Cassandra	Keglovitz, Katherine J.*	O'Rourke, Dennis F.	Tiffin, Thomas J.
Buckley, Donna D.	Garelli, Brett A.	King Jr., Harold L.	Patel, Devendra	Tijerina, Antonio J.
Byrnes, Marc R.	Ghouleh, Abder R.	Landis, Marcella V.	Prignano, Joseph N.	Trujillo, Susan M.
Carson, Edward N.	Glymph-Martin, Auralene T.	Lau, Robert M.	Pulaski, Clifford A.	Villegas, Abraham
Caston, Jacquelyn M.	Gonzalez Jr., Gilbert J.	Law, William J.	Randle, Bernadine	Williams, Larry
Cavin, Bernice D.	Goodwin, Laura J.	Lindo, Pauline V.	Rendon, Rick A. *	Zerfas, Beth A.
Coleman, Derrick L.	Gordon, Gary	Massey, Kenneth A.	Robertson, David K.	Zirbes, John F.
Coolidge, Donna A.	Gorski, Sheryl K.	McCune, Michael W.	Rynne, Gary W.	

\*Retirement from a reciprocal fund

**Transitions Continued:**

**DECEASED EMPLOYEES AND RETIREES (since September 2018)**

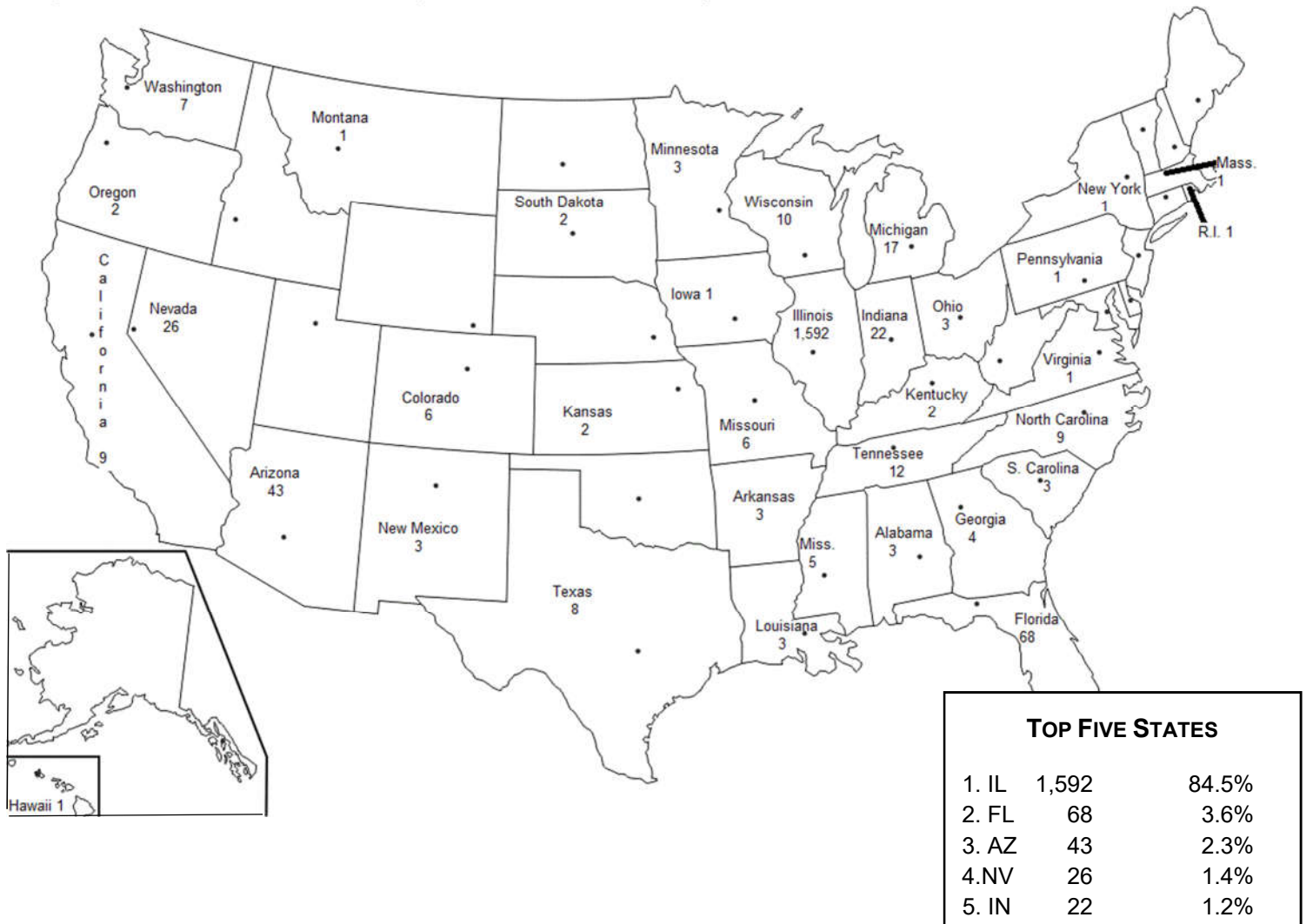
We thank them for their service and extend condolences to their families.

Ali, Mohammad M.	Drain, Robert	Johnson, Charles K.	Morelli, Marilyn	Smith, Patricia
Baraglia, Charles A.	Eaton, Michael L.	Johnson, Patrick M.	Natividad, Cornelio R.	Tolksdorf, Lee R.
Bendler, Marc A.	Feldy, Michael S.	Jorgensen, Ronald H.	Nelson, Gary E.	Toto, William
Blaettler, Virginia	Francis, David R.	Kapelanski, Richard	Niedoborski, Robert J.	Van Gerrewey, David G.
Campise, Frank P.	Gallagher, Michael J.	Kelada, Nabih P.	O'Brien, Michael A.	Villegas, Abraham
Capizzano, Frank M.	Gallimore, Richard R.	King, Lindsey R.	Paulson, Daniel L.	Viverito, Bert A.
Cooper, Bernard H.	Garelli, Bonnie F.	Koran, Kathleen *	Perini, Randall G. *	Walker Jr., Johnnie
Cox, Rodney W.	Gogolak, Joseph E.	Kozinski, Walter S.	Polito, Dominic C.	Ware, Otha
Darcy, Thomas J.	Gomberg, Lionel	Lysek, Joanne L.	Pyskacek, Robert A.	Wegrzyn, Edward J.
Dawson, Priscilla	Gosciniak, Henry F.	Majewski, Lawrence L.	Semaszczuk, Wladimir	Williams, Caius R.
De Tamble, Richard J.	Irwin, Richard R.	Meana, Rafael	Shields-Wright, Helen *	Williams, Melissa A.
Dixon, Marietta	Jablonski, Kenneth E.	Miller, Leslie	Slavin, William R.	Zambrzycki, Andrew C.

\*Death in Service

**Home Sweet Home**

Do you ever wonder where our retirees call home? Most of them stay right here in Illinois. Our retirees call 35 states and two foreign countries home. Refer to the map below to find out how many retirees live in each state.



**MWRD RETIREMENT FUND**  
**111 East Erie Street, Suite 330**  
**Chicago, IL 60611-2898**

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## Questions about Retirement?

An MWRD Retirement Fund Benefits Staff member will be available to counsel active employees at the following places, dates and times:

Plant	Location	Date	Time
Stickney	OSS Building, Room S343	September 12, 2019	7:15 a.m. – 2:30 p.m.
Calumet	M & O Admin. Conference Room	October 9, 2019	7:15 a.m. – 2:30 p.m.
Stickney	OSS Building, Room S343	November 7, 2019	7:15 a.m. – 2:30 p.m.

### **MWRD Retirement Fund Staff Directory**

**(312) 751-XXXX**

Executive Director.....	Jim Mohler.....	x3230.....	MohlerJ@mwrdd.org
Operations Manager.....	Mary Murphy.....	x3220.....	MurphyM1@mwrdd.org
Accountant.....	Vrinda Kulkarni.....	x3036.....	KulkarniV@mwrdd.org
Financial Analyst.....	Brian Gillespie.....	x3226.....	GillespieB@mwrdd.org
Programmer Analyst.....	Vitaliy Bunimovich.....	x3284.....	BunimovichV@mwrdd.org
Benefits Manager, Retirements.....	Ksenija ('Senya') Hrvojevic.....	x3229.....	HrvojevicK@mwrdd.org
Ordinary Disability, QILDRO.....	Valerie Crouch.....	x6641.....	CrouchV@mwrdd.org
Estimates, Duty Disability.....	Jessica Taylor.....	x3224.....	TaylorJ@mwrdd.org
Deaths, Refunds, Insurance.....	Debra Kozlowski.....	x3227.....	KozlowskiD@mwrdd.org
Insurance, Address Changes, Form Requests.....	Ka Yu Cuchra.....	x3222.....	CuchraK@mwrdd.org

#### **Contact us by...**

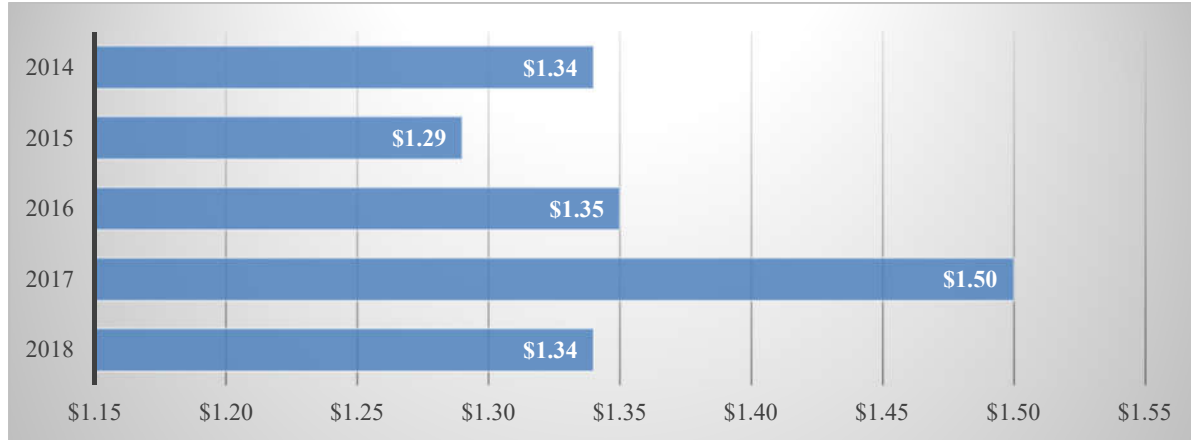
**Phone** From District locations, dial 1 + the underlined phone extension, above.

**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** Refer to our mailing address above.

## FIDUCIARY NET POSITION

The Fund's fiduciary net position – total assets minus liabilities – was \$1.34 billion as of December 31, 2018. That was a decrease of \$157.8 million, or 10.5%, from 2017, mainly due to negative investment returns in 2018. Investment returns vary from year to year; over the last five years, the Fund's fiduciary net position has remained in the range of \$1.34 billion, but over the last 10 years it has increased by \$465 million.



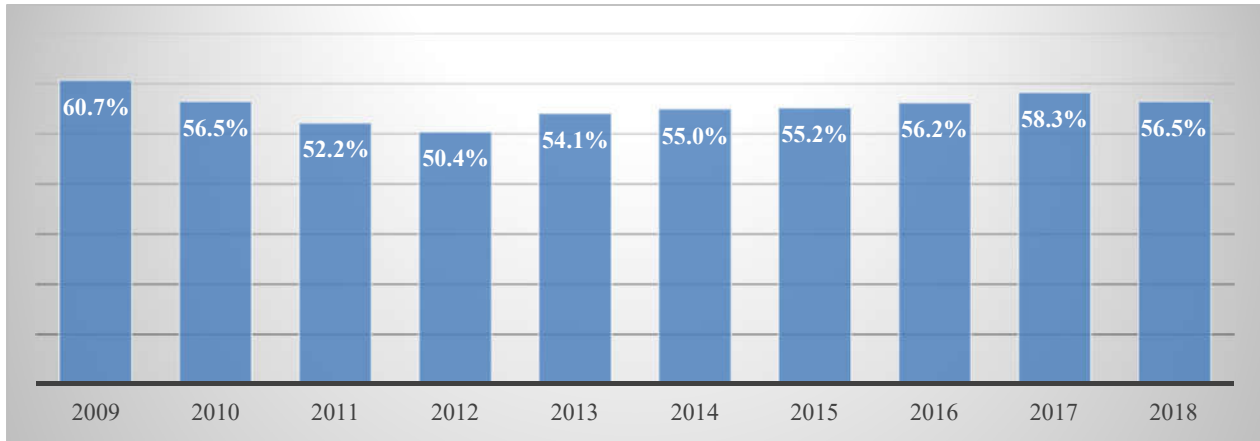
## CONDENSED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

This schedule shows the results of operations for the last two years; it is a condensed version of the audited financial statements which are available for review on the Fund website, [mwrdrf.org](http://mwrdrf.org).

	<u>2018</u>	<u>2017</u>
<b><u>ADDITIONS:</u></b>		
Employer contributions	\$ 87,167,339	\$ 89,858,224
Employee contributions	21,032,601	20,839,829
Total contributions	<u>108,199,940</u>	<u>110,698,053</u>
Net investment income (loss)	<u>(103,006,062)</u>	<u>194,821,459</u>
Other	<u>15,415</u>	<u>3,100</u>
Total additions	<u>5,209,293</u>	<u>305,522,612</u>
<b><u>DEDUCTIONS:</u></b>		
Retirement annuities	159,561,047	152,152,914
Refunds	1,762,475	2,560,129
Administrative expense	<u>1,685,479</u>	<u>1,613,976</u>
Total deductions	<u>163,009,001</u>	<u>156,327,019</u>
<b>INCREASE (DECREASE)</b>		
<b>IN NET POSITION</b>	(157,799,708)	149,195,593
Beginning net position	<u>1,501,793,976</u>	<u>1,352,598,383</u>
Ending net position	<u>\$ 1,343,994,268</u>	<u>\$ 1,501,793,976</u>

## FUNDING STATUS

The Fund's funding status is a key indicator of its financial health. It reflects the percentage of benefits provided by law for which the Fund has assets to pay at a given point in time. A 5-year upward trend in this ratio started in 2013 as a result of solid investment returns over that period, special contributions from the MWRD (the plan sponsor), and legislation changes that resulted in increased employee and employer contributions. However, the slight decline in the funding ratio in 2018 was caused by negative investment returns, and a decrease in the actuarial rate of return assumption from 7.50% to 7.25%. The MWRD has adopted a funding policy with the goal to fully fund the Fund by the year 2050.



## FUND MEMBERSHIP STATISTICS

Fund membership data is used by the Fund actuary in preparing the annual actuarial valuation report. Below is selected membership statistics as of December 31, 2018.

Active Members			
Average Pensionable Salary	\$102,538		
Average Years of Service	13.5		
Average Age	39.5		
	<u>Count</u>	<u>%</u>	
Tier 1	1,322	72%	
Tier 2	510	28%	
Total	1,832		
Male	1,354	74%	
Female	478	26%	
Total	1,832		

New Retirees in 2018	
Average Years of MWRD Service at Time of Retirement	24.1
Average Age at Retirement	60.5
Average Monthly Pension at Retirement	\$5,087

Annuitants					
<b>Employee Annuitants</b>			<b>Spouse Annuitants</b>		
Average Monthly Pension	\$6,107		Average Monthly Pension	\$3,789	
Average Age	72.4		Average Age	79.4	
	<u>Count</u>	<u>%</u>		<u>Count</u>	<u>%</u>
Male	1,416	77%	Male	20	4%
Female	432	23%	Female	551	96%
Total	1,848		Total	571	