

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees March 24, 2021

Meeting#: 1178

Call to order: 10:03 a.m.

Place: Held via Video Conference from the 3rd Flr. Conference Room, 100 E. Erie St. Chicago, IL

Presiding: John P. Dalton, President

Roll Call:

Trustees:	Present	Present via videoconference
John P. Dalton, President	X	
Kevin Young, Vice President		X
Hon. Mariyana T. Spyropoulos, Secretary		X
Hon. Kimberly Du Buclet		X
M. Frank Avila		X
Bonnie T. Kennedy		X
Robert T. Regan		X

Staff present: Jim Mohler, Executive Director, present
Mary Murphy, Operations Manager, via videoconference
Brian Gillespie, Financial Analyst, via videoconference
Ksenija Hrvojevic, Benefits Manager, via videoconference

Also present: Mr. Kweku Obed, Marquette Associates, via videoconference
Ms. Amanda Gall, Marquette Associates, via videoconference
Ms. Nicole Johnson Barnes, Marquette Associates, via videoconference
Ms. Mary Ann Boyle, MWRD Treasurer, via videoconference
Members of the public, via teleconference:
Representative from Fundmap

Roll Call

President Dalton conducted a roll call.

Meeting Notice

President Dalton stated for the record that since Governor Pritzker has issued a disaster declaration regarding public health concerns from COVID-19, the monthly meeting of the MWRDRF Board will be conducted remotely and in accordance with section ILCS 120 7(e) of the Illinois Open Meetings Act.

Meeting attendance

To ensure that the minutes of the meeting are properly recorded, anyone attending the meeting via teleconference outside the Board members, Fund consultants, and pertinent Fund staff, were asked to identify themselves and affiliation, if any.

Public Comment

President Dalton solicited public comments; there were none.

Regular Business

Approval Regular Meeting Minutes – February 24, 2021.

Motion by Vice President Young. Seconded by Trustee Kennedy, unanimously approved by roll call vote.

Approval of Executive Session Minutes – N/A

Approval of Meeting Agenda – March 24, 2021

Motion by Commissioner Du Buclet. Seconded by Vice President Young, unanimously approved by roll call vote.

Consent Agenda

Administrative Expenses, \$129,945.31

Motion to approve by Trustee Regan. Seconded by Trustee Kennedy, unanimously approved by roll call vote.

Investment Expenses, \$0

Employee Annuity - 2 new retirees, \$10,360.57 total monthly

Motion to approve by Trustee Kennedy. Seconded by Trustee Regan, unanimously approved by roll call vote.

Surviving Spouse & Child Annuity - 6 new surviving spouses, \$34,662.78 total monthly

Motion by Commissioner Du Buclet. Seconded by Vice President Young, unanimously approved by roll call vote.

Refunds - 2 refunds, \$22,289.51

Motion to approve by Trustee Regan. Seconded by Trustee Kennedy, unanimously approved by roll call vote.

Consent Agenda, continued

Duty Disability, benefits for 10 persons

Motion to approve by Vice President Young. Seconded by Trustee Kennedy, unanimously approved by roll call vote.

Ordinary Disability, benefits for 4 persons, including one 30-day waiver

Motion to approve by Commissioner Spyropoulos. Seconded by Trustee Regan, unanimously approved by roll call vote.

Administrative

Cash Allocation

Mr. Mohler reported the following regarding necessary investment withdrawals and funding of upcoming payrolls.

For projected April 2021 disbursements of \$15.7M

Mr. Mohler reported that April 2021 disbursements are projected to be \$15.7M; the Board had approved up to \$14.2M to be liquidated from the Fund's domestic equity and international equity allocations at the February meeting. Due to having sufficient liquidity, no investment assets will need to be liquidated for April disbursements.

For projected May 2021 disbursements of \$15.7M

Mr. Mohler reported that Fund staff also expects to have sufficient liquidity to cover May 2021 projected disbursements of \$15.7M and that no investment assets will need to be liquidated.

Staff Administrative Update

Oath of Office – Appointed Trustee

The Oath of Office was administered to Commissioner Du Buclet, for her re-appointment to the Board for a 3-year term ending January 2024.

Executive Session Minutes Review (5 ILCS 120/2.06(c)) **

Motion to release the nine closed session meeting minutes from April 10, 2019 through September 25, 2019 was made by Commissioner Spyropoulos. Seconded by Vice President Young, unanimously approved by roll call vote.

Motion to approve the destruction of the verbatim records of the nine closed session meeting minutes from April 10, 2019 through September 25, 2019 was made by Trustee Regan. Seconded by Vice President Young, unanimously approved by roll call vote.

Information Technology Systems/Procedures Review – Update

Mr. Mohler and Ms. Murphy reported on the progress of the IT systems review, cybersecurity process review and staff training program by LaSalle Consulting Group. Staff expects that LaSalle Consulting Group will present to the Board at their April meeting.

Pension Administration System - Project Update

Ms. Murphy updated the Board on the status of the PAS project with Provaliant. Ms. Murphy meets with Provaliant twice a week, and it is expected that the first draft RFP will be completed by early summer. Fund staff will continue to update the Board monthly on the project's status.

Staff Administrative Update, continued

Trustee Education Opportunities

Mr. Gillespie reported on upcoming Trustee Education Opportunities. To avoid timing issues, Mr. Mohler suggested the Board consider approving expenditures for the usual annual conferences with fees at the beginning of the year, with actual registrations following throughout the year.

Legal & Legislative

102nd Meeting of the Illinois General Assembly (Session-to-date Bills that may affect the Fund)

Mr. Mohler reviewed current pension bills in the Illinois Legislature. He also reported on the status of SB73 / HB2550, the MWRDRF Ordinary Disability Bill which is a technical change which should not meet resistance. Discussion followed.

Meeting attendance (reminder)

To ensure that the minutes of the meeting are properly recorded, anyone attending the meeting via teleconference outside the Board members, Fund consultants, and pertinent Fund staff, were asked to identify themselves and affiliation, if any.

Staff Investment Update(s)

Manager Presentation to Trustees – Neuberger Berman

Ms. Cheryl Cannistra and Mr. Nathan Kush from Neuberger Berman presented to the Board an update on their Core+ Fixed Income mandate. Discussion ensued. President Dalton expressed thanks for their presentation.

Current vs. Target Asset Allocation

Mr. Gillespie presented to the Retirement Board the Fund's current asset allocation compared to their target allocations.

Watchlist Update*

Mr. Gillespie updated the Retirement Board on the performance of the investment managers currently on watch. No actions were taken.

RFP Global Low/Vol Equity - Update

Ms. Johnson Barnes of Marquette Associates updated the Retirement Board on the RFP for Global Low/Vol Equity which was issued on February 3rd. Twenty-three proposals were received by the submission due date of March 3rd, after which the evaluation process began. She reviewed in detail the evaluation process. A special meeting will be scheduled before the April Regular Board meeting for Marquette and staff to discuss with the Board finalists for further Board consideration. It is expected the Board will select 3 or 4 managers to interview at a separate special meeting.

Investment Consultant Report(s)

Market Environment

Mr. Obed reviewed the investment markets as of February 2021. Discussion ensued.

Monthly Flash Report

Mr. Obed presented the February Monthly Performance Report, which presents the performance of the Fund's portfolio by asset class and by manager. Discussion ensued.

Other Comments

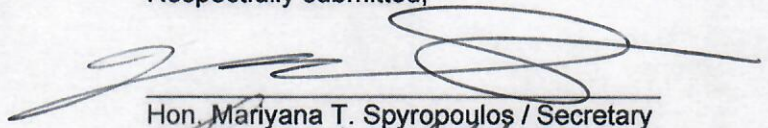
Mr. Mohler reminded the Board to look at their calendars to schedule the Special Meeting during the week of April 12th. He also reminded the Trustees they should have received by email the request to fill out the Statement of Economic Interest with the Cook County Clerk's Office; filing is due by May 1st.

Adjournment

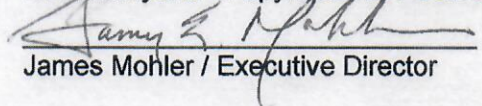
Motion to adjourn was made by Commissioner Spyropoulos. Seconded by Trustee Avila, approved by roll call vote.

President Dalton adjourned the meeting at 12:04 p.m.

Respectfully submitted,

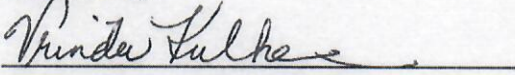


Hon. Mariyana T. Spyropoulos / Secretary



James Mohler / Executive Director

Prepared by:



Vrinda Kulkarni / Accountant