

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees December 15, 2021

Meeting#: 1187

Call to order: 10:03 a.m.

Place: MWRD Third Floor Conference Room, 100 E. Erie St. Chicago, IL

Presiding: John P. Dalton, President

Roll Call:

Trustees:	Present	Present via videoconference	Absent
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	
Carmen Scalise		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
 Vitaliy Bunimovich, Programmer Analyst, via videoconference

Also present: Mr. Kweku Obed, Marquette Associates, via videoconference
 Ms. Mary Ann Boyle, MWRD Treasurer, via videoconference

Members of the public, via teleconference:
 Robert Solheim, Provaliant Retirement
 Wendy Sanchez, Provaliant Retirement
 Ronan O'Brien, Financial Investment News
 Angela Myers, Loop Capital Markets

Roll Call

President Dalton conducted a roll call.

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.

(Whereas Commissioner Spyropoulos entered the meeting via videoconference)

Regular Business

Approval Regular Meeting Minutes – 11/17/21

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

Approval Executive Session Minutes – 11/17/21, pursuant to ILCS 120/2(c)(7)

Motion to approve and keep closed by Commissioner Spyropoulos. Seconded by Vice President Young, unanimously approved by roll call vote.

Approval of Meeting Agenda – 12/15/21

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

Consent Agenda

Administrative Expenses, 13 items, \$118,027.22

Motion to approve by Trustee Kennedy. Seconded by Commissioner Du Buclet, unanimously approved by roll call vote.

Investment Expenses, 7 items, \$ 178,642.57

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

Employee Annuitants - 2 new retirees, \$4,175.14

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

Surviving Spouse & Child Annuitants – none

Refunds - 8 refunds, \$134,984.79

Motion to approve by Vice President Young. Seconded by Commissioner Spyropoulos, unanimously approved by roll call vote.

Duty Disability, benefits for 8 persons, \$571.90

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

Ordinary Disability, benefits for 12 persons, \$2,093.95

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

Administrative

Cash Allocation

Mr. Mohler reported the following regarding necessary liquidity for upcoming disbursements.

For January 2022 disbursements of (\$16.2M), only (\$14.2M) of the previously approved (\$14.55M) will be needed to honor them. For February 2022 projected disbursements of (\$16.2M), Fund staff projects (\$14.6M) of invested assets will need to be liquidated to honor them. Fund staff recommends needed liquidity from the following sources:

<u>Investment Manager</u>	<u>Investment Mandate</u>	<u>(\$M)</u>
State Street	S&P 500	\$14.6M

Motion by Vice President Young to approve staff's recommendation for necessary liquidity. Seconded by Trustee Kennedy, unanimously approved by roll call vote.

Staff Administrative Update

Election of Board Officers – 40 ILCS 5/13-704 *

Motion was made by Trustee Kennedy to appoint Trustee Dalton as President, Trustee Young as Vice President, and Commissioner Spyropoulos as Secretary. Seconded by Commissioner Du Buclet, unanimously approved by roll call vote.

2022 Board Meeting Dates / Investment Manager Presentation Schedule *

Mr. Mohler presented the 2022 Board Meeting Dates which will be posted on the Fund's website.

Pension Administration System - Project Update

Mr. Mohler expressed appreciation for all the hard work put in on the PAS RFP and vendor selection project, by Ms. Murphy, Mr. Bunimovich and Ms. Hrvojevic, along with Mr. Solheim and Ms. Sanchez of Provaliant. Ms. Murphy reported the selection review committee attended demonstrations by all three vendors, and Ms. Sanchez gave highlights from the Executive Summary she had prepared for the Board.

Ms. Murphy reported one vendor was eliminated from further consideration leaving two vendors that will be vetted further with "short list demos" by staff and Provaliant.

Fund Staffing Update

Mr. Mohler reported that so far there has been a relatively small number of resumes received for the RF Office Services Assistant position, and that the submission deadline will likely be determined in mid-January.

2022 Administrative Budget */ - 5 ILCS 120/2(c)(1)**

Discussion ensued about the IT and cybersecurity goals and budget. President Dalton noted the MWRD BOC had passed a general salary increase and recommended the same general salary increase for eligible RF staff be incorporated into the 2022 RF Administrative Budget.

Motion was made by President Dalton to approve a general salary increase for eligible RF Staff. Seconded by Vice President Young, unanimously approved by roll call vote.

Motion was made by Vice President Young to approve the 2022 RF Administrative Budget. Seconded by Commissioner Spyropoulos, unanimously approved by roll call vote.

Trustee Education Discussion / Opportunities*

Mr. Mohler and Mr. Gillespie reported upcoming opportunities for Trustee Education.

Motion was made by Commissioner Spyropoulos to approve attendance of the training to held at UC Booth School of Business in January and to approve the incurrence of any related fees. Seconded by Commissioner Du Buclet, unanimously approved by roll call vote.

Legal & Legislative*

Possible Legislative Initiatives

Mr. Mohler reported on the upcoming legislative session scheduled to begin on January 4th, the Fund's legislative initiative regarding licensed health care professionals, and the extension of agreement with Tom Walsh, Legislative Liaison.

Motion was made by Vice President Young, seconded by Trustee Scalise, unanimously approved by roll call vote.

Meeting Attendance (Reminder)

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Staff Investment Update(s)

Current vs. Target Asset Allocation

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

Mr. Mohler and Treasurer Boyle reminded the Board that the Board of Commissioners approved an additional \$30 million to be put into the Fund in 2022. It is scheduled to transfer in early March.

Watchlist Update

Mr. Gillespie commented on the current Watchlist which currently lists two managers. Discussion ensued; no action taken by the Board.

Settlement Proceeds – Duplicate Payment Received *

Mr. Gillespie informed the Board that the Fund received a duplicate payment regarding the settlement of the Alibaba securities litigation. He informed the Board that the duplicate payment would be returned to the claims administrator.

RFP International Equity - Developed Countries – Update

Mr. Mohler explained the timetable for next steps regarding the two developed international equity searches.

Special Meetings Schedule Confirmation

Mr. Mohler confirmed the two special meeting dates to interview candidates for the two developed international equity searches.

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Investment Consultant Report(s)

Market Environment

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

Monthly Flash Report

Mr. Obed presented the November 2021 Performance Report, which presents the performance of the Fund's portfolio by asset class and by manager. Discussion ensued.

Other Comments

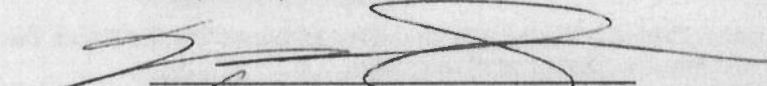
Mr. Dalton reiterated that this was the last meeting that Trustee Avila will attend and he thanked him for his service to the Retirement Board, as well as for his many years of service on the MWRD Board of Commissioners. All Trustees and staff thanked Trustee Avila and wished him all the best going forward.

Adjournment 12/15/21 Meeting

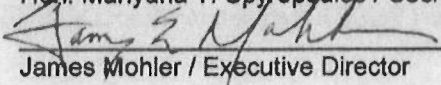
Motion to adjourn was made by Trustee Avila. Seconded by Commissioner Spyropoulos, unanimously approved by roll call vote.

President Dalton adjourned the meeting at 11:51 a.m.

Respectfully submitted,

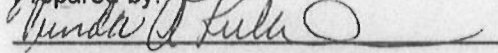


Hon. Mariyana T. Spyropoulos / Secretary



James Mohler / Executive Director

Prepared by:



Vrinda Kulkarni / Accountant