



METROPOLITAN WATER RECLAMATION DISTRICT RETIREMENT FUND

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December 27, 2021

The Honorable JB Pritzker
Office of the Governor
207 State House
Springfield, Illinois 62706

Dear Governor Pritzker:

Pursuant to Illinois Compiled Statutes, Chapter 40, Act 5, Article 1, Section 109.1, the Metropolitan Water Reclamation District Retirement Fund (the Fund) respectfully submits our annual report regarding the utilization of MWDBE investment managers and broker-dealers. All information contained in this report is as of September 30, 2021 unless otherwise noted.

The Fund recognizes the importance of racial, ethnic, and gender diversity in all areas. Our Board of Trustees is 83% minority and women. At the consultant level, both the Managing Director and supporting Client Analyst on the account are minorities. As a result of the Fund's Board of Trustees updating the Fund's Broker Dealer Policy last year to increase the annual goals for all classes, the Fund has increased the utilization of minority-owned broker-dealers.

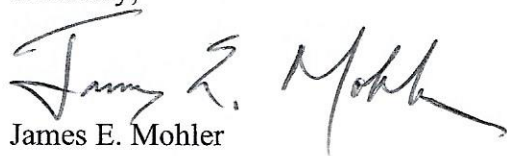
Our active domestic equity managers directed 66.6% of total YTD commissions as of 9/30/21 to MWDBE firms compared with 64.7% for the comparable period in 2020. The Fund's active international equity managers directed 47.3% of total YTD commissions to MWDBE firms versus 25.7% last year. Finally, our active fixed income managers traded 31.3% of total YTD par value with MWDBE firms as opposed to 28.8% for the first nine months of 2020. In all areas, the Fund's managers have exceeded the established goals regarding the utilization of MWDBE broker dealers. The Board will review these utilization goals annually. Our Trustees continue to encourage the Fund's investment managers to increase the use minority broker-dealers. Broker-Dealer utilization goals and YTD commissions can be found in Exhibit B.

As a percentage of actively managed assets, MWDBE firms represented over 24% of Fund assets. Please refer to Exhibit A for additional information on the Fund's MWDBE investment managers.

In addition to Exhibits A & B discussed earlier, you will find the following Fund policies: Minority Investment Manager Utilization Policy, Investment Services Procurement Policy, and Broker/Dealer Policy. The Board updated the Fund's Investment Services Procurement Policy at the October 27, 2021 MWRDRF Retirement Board meeting.

If we can be of further assistance, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "James E. Mohler". The signature is fluid and cursive, with a long horizontal stroke at the end.

James E. Mohler
Executive Director

Enc.

CC: Honorable Emanuel Chris Welch, House Speaker
Honorable Don Harmon, Senate President

Exhibit A

Investment Managers	Address	MWDBE Status	Market Value as of 11/30/21	% of Active Assets as of 11/30/21
MWDBE Firms:				
Ramirez Asset Management	61 Broadway, 29th Floor New York, NY 10006	M	\$60,120,832	6.8%
Ariel Investments	200 E. Randolph Drive, Suite 2900 Chicago, Illinois 60601	M	\$98,147,019	11.2%
Garcia Hamilton & Associates	1401 McKinney, Suite 1600 Houston, TX 77010	W	\$56,009,459	6.4%
Total MWDBE managed			\$214,277,310	24.4%
Active Fund Assets			\$878,154,664	
Total Fund Assets			\$1,596,309,274	

Exhibit B

Domestic Equity Brokerage Commissions	YTD 9/30/21	% to MWDBE Firms
Total Commissions paid to MWDBE Firms	\$ 110,445	66.6%
Total Commissions	\$ 165,939	
% Policy Goal		40%
International Equity Brokerage Commissions	YTD 9/30/21	% to MWDBE Firms
Total Commissions paid to MWDBE Firms	\$ 7,147	47.3%
Total Commissions	\$ 15,121	
% Policy Goal		20%
Fixed Income Par Traded	YTD 9/30/21	% to MWDBE Firms
Total Par Traded with MWDBE Firms	\$ 190,317,087	31.3%
Total Par Traded	\$ 608,765,971	
% Policy Goal		25%