



METROPOLITAN WATER RECLAMATION DISTRICT RETIREMENT FUND

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December 22, 2022

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, 2022, unless otherwise noted.

The Fund recognizes the importance of racial, ethnic, and gender diversity in all areas. Our Board of Trustees is 71% minority and women. At the Investment Consultant level, both the Managing Director and supporting Client Analyst on the account are minorities.

As a percentage of actively managed assets, as of 9/30/22 MWDBE firms represented over 25% of Fund assets. Please refer to Exhibit A for additional current information on the Fund's MWDBE investment managers.

YTD trading activity as 9/30/22 with MWDBE Brokerage Firms, compared to previous year, reflects:

	<u>2022</u>	<u>2021</u>
Domestic Equity	62%	67%
International Equity	22%	47%
Global Equity	30%	n/a
Fixed Income	40%	31%

The Retirement Board's goals for each asset class can be found in Exhibit B.

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.

Sincerely,

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 11/30/22	% of Active Assets as of 11/30/22
MWDBE Firms:				
Ramirez Asset Management	61 Broadway, 29th Floor New York, NY 10006	M	\$67,211,742	8.7%
Ariel Investments	200 E. Randolph Drive, Suite 2900 Chicago, Illinois 60601	M	\$68,508,015	8.9%
Garcia Hamilton & Associates	1401 McKinney, Suite 1600 Houston, TX 77010	W	\$51,931,177	6.7%
Total MWDBE managed			\$187,650,934	24.3%
Active Fund Assets			\$770,670,336	
Total Fund Assets			\$1,376,392,903	

Exhibit B

Domestic Equity Brokerage Commissions	YTD 9/30/22	% to MWDBE Firms
Total Commissions paid to MWDBE Firms	\$ 89,821	62.1%
Total Commissions	\$ 144,622	
% Policy Goal		40%
International Equity Brokerage Commissions	YTD 9/30/22	% to MWDBE Firms
Total Commissions paid to MWDBE Firms	\$ 9,282	22.0%
Total Commissions	\$ 42,112	
% Policy Goal		20%
Global Equity Brokerage Commissions	YTD 9/30/22	% to MWDBE Firms
Total Commissions paid to MWDBE Firms	\$ 3,066	30.0%
Total Commissions	\$ 10,235	
% Policy Goal		30%
Fixed Income Par Traded	YTD 9/30/22	% to MWDBE Firms
Total Par Traded with MWDBE Firms	\$ 275,979,095	39.6%
Total Par Traded	\$ 696,564,837	
% Policy Goal		25%