

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees April 26, 2023

Meeting#: 1203

Call to order: 10:03 a.m.

Place: MWRD Board Room, 100 E. Erie St. Chicago, IL

Presiding: Kevin Young, President

Roll Call:

Trustees:	Present	Absent
Kevin Young, President	X	
Bonnie T. Kennedy, Vice President	X	
Hon. Mariyana T. Spyropoulos, Secretary	X	
Hon. Kimberly Du Buclet		X
John P. Dalton	X	
John R. Markovich	X	
Robert Quezada	X	

Staff present: Jim Mohler, Executive Director
Mary Murphy, Operations Manager
Brian Gillespie, Investment Officer
Ksenija Hrvojevic, Benefits Manager
Vrinda Kulkarni, Accounting Supervisor
Vitaliy Bunimovich, IT Supervisor

Also present: Kweku Obed, Investment Consultant, Marquette Associates
Alberto Rivera, Investment Consultant, Marquette Associates
Jason Franken, Foster & Foster Actuaries
Eric Welt, Mesirow Financial
Leo Harmon, Mesirow Financial
Chuck Stolfa, Wasatch Global Advisors
Jim Larkins, Wasatch Global Advisors
Angela Meyers, Loop Capital Markets

Roll Call

President Young conducted a roll call.

Meeting attendance

To ensure that the minutes of the meeting are properly recorded, anyone attending the meeting, please sign in on the attendance sheet located at the back of the room.

Public Comment

President Young solicited public comments; there were none.

Regular Business

Approval Regular Meeting Minutes – 3/29/23

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

Approval Executive Session Minutes – 3/29/23

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

Approval of Meeting Agenda – 4/26/23

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

Consent Agenda

Administrative Expenses, 24 items, \$201,214.73

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

Investment Expenses - none

Employee Annuitants - none

Surviving Spouse Annuitants – 2 surviving spouses, \$7,863.66

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

Child Annuitants – none

Refunds – 2 refunds, \$11,836.85

Motion to approve by Trustee Markovich. Seconded by Trustee Dalton, unanimously approved by roll call vote.

Duty Disability, benefits for 8 persons, \$313.68 combined daily rate

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

Ordinary Disability, benefits for 6 persons, \$1,228.83 combined daily rate

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

Administrative

Cash Allocation

Mr. Mohler reported that due to the availability of necessary liquidity no investment withdrawals are necessary to cover the projected disbursements for June (\$18M).

2022 Actuarial Report – Actuary Presentation

Mr. Jason Franken from Foster & Foster presented to the Board the results of the 2022 Actuarial Valuation. Discussion ensued.

Motion to accept the 2022 Actuarial Report and place on file made by Commissioner Spyropoulos. Seconded by Trustee Dalton, unanimously approved by roll call vote.

Project Ascent and Ancillary IT Projects Update

Ms. Murphy updated the Board on the progress on the PAS development project and the other ancillary IT projects that are in process. Discussion ensued.

April 30 Retirements

Ms. Hrvojevic let the Board know that Fund staff have received or are working on 40 retirements applications; a few of those will be carried into May/June based on reciprocity or a later resignation date.

Statement of Economic Interest 2022 Filing

Mr. Mohler thanked the Board for filing their 2022 Statement of Economic Interest prior to the April 30 deadline. All required filings are complete.

Interest Rate Discussion

Mr. Mohler discussed with the Board the need to identify rates of interest in situations where the Illinois Pension Code requires interest but does not identify a rate. Mr. Mohler informed the Board that the Fund staff will work with legal counsel to present a draft Policy for their consideration at their May meeting.

Educational Opportunities 2023 Discussion

Mr. Gillespie reported on upcoming opportunities for Trustee education.

Legal & Legislative*

Illinois Legislative Spring Session 2023 – Pension Bills Update

Mr. Mohler updated the Board on the Fund's legislative initiative (HB2035) and other bills that may be relevant to the Fund. Discussion ensued.

Staff Investment Update(s)

Investment Manager Presentations

Representatives from Mesirow Financial presented to the Board regarding their Small Cap Value mandate. Discussion ensued.

Representatives from Wasatch Global Advisors presented to the Board regarding their Small Cap Value mandate. Discussion ensued.

Current vs. Target Asset Allocation

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

Watchlist Update

Mr. Gillespie commented on the current Watchlist. Discussion ensued. No action taken.

Custodial Services Discussion

Mr. Gillespie and Mr. Mohler discussed with the Board recent conversations with BNYM, the Fund's Master Custodian, regarding their fees starting 7/1/23. The Fund was informed that the fee schedule with BNYM will remain in place and not be revised as reflected in previous correspondence. Discussion ensued.

RFP Private Credit Update

Mr. Gillespie and Mr. Obed from Marquette Associates discussed with the Board the status of the Private Credit RFP. Discussion with the Board included steps to be taken to position the Board to interview candidates for mandate consideration.

Investment Consultant Report(s)

Market Environment

Mr. Obed reviewed the investment markets through March 2023. Discussion ensued.

Monthly Flash Report

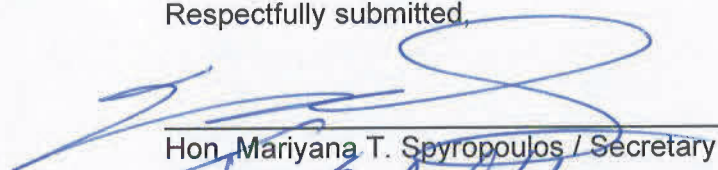
Mr. Obed presented the March 2023 Monthly Performance Report, which presents the performance of the Fund's portfolio by asset class and by manager.

Adjournment 4/26/23 Meeting

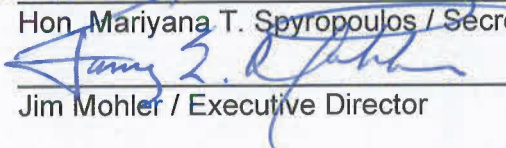
Motion was made by Trustee Dalton to adjourn the meeting. Seconded by Trustee Markovich, unanimously approved by roll call vote.

President Young adjourned the meeting at 11:59 a.m.

Respectfully submitted,



Hon. Mariyana T. Spyropoulos / Secretary



Jim Mohler / Executive Director

Prepared by:



Vrinda Kulkarni / Accounting Supervisor