

# Metropolitan Water Reclamation District Retirement Fund

## Minutes Regular Meeting Board of Trustees April 24, 2024

Meeting#: 1215

Call to order: 10:00 a.m.

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

Presiding: Kevin Young, President

### Roll Call:

<b>Trustees:</b>	<b>Present</b>	<b>Absent</b>
Kevin Young, President	X	
Bonnie T. Kennedy, Vice President	X	
Hon. Mariyana T. Spyropoulos, Secretary	X	
John P. Dalton	X	
John R. Markovich	X	
Robert Quezada	X	
Hon. Kari K. Steele	X	

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

Also present: Kweku Obed, Marquette Associates  
Alberto Rivera, Marquette Associates  
Wendy Sin, Acting Treasurer MWRD  
Jason Franken, Foster & Foster  
Tom Walsh, Legislative Liaison  
Jeff Jackson, Earnest Partners  
Chris Hovis, Earnest Partners  
Edward Rozell, Aristotle Capital  
Aylon Ben-Shlomo, Aristotle Capital

### Public Comment

President Young solicited public comments; there were none.

## **Regular Business**

Approval Regular Meeting Minutes – 3/26/24

*Motion to approve: Vice President Kennedy*

*Second: Trustee Dalton*

*Unanimously approved by roll call vote.*

Approval Executive Session Minutes – 3/26/24 and to remain closed.

*Motion to approve: Trustee Dalton*

*Second: Trustee Quezada*

*Unanimously approved by roll call vote.*

Approval of Meeting Agenda – 04/24/24

*Motion to approve: Trustee Markovich*

*Second: Trustee Quezada*

*Unanimously approved by roll call vote.*

## **Consent Agenda**

Administrative Expenses – 21 items, \$156,284.04

*Motion to approve: Trustee Dalton*

*Second: Trustee Markovich*

*Unanimously approved by roll call vote.*

Investment Expenses – N/A

Employee Annuitants - 2 annuitants, \$11,296.89

*Motion to approve: Commissioner Steele*

*Second: Trustee Quezada*

*Unanimously approved by roll call vote.*

Surviving Spouse Annuitants – 3 annuitants, \$15,629.91

*Motion to approve: Commissioner Steele*

*Second: Trustee Dalton*

*Unanimously approved by roll call vote.*

Child Annuitants – N/A

Refunds – 4 refunds, \$121,644.91

*Motion to approve: Trustee Dalton*

*Second: Trustee Quezada*

*Unanimously approved by roll call vote.*

Duty Disability Benefits - 12 members, \$934.22 combined daily rate

*Motion to approve: Vice President Kennedy*

*Second: Trustee Quezada*

*Unanimously approved by roll call vote.*

Ordinary Disability Benefits - 8 members, \$1,327.41 combined daily rate / 1 30-day waiver

*Motion to approve: Trustee Markovich*

*Second: Vice President Kennedy*

*Unanimously approved by roll call vote.*

## **Administrative**

### **Cash Allocation**

Liquidity needs for projected disbursements:

Month: June 2024

Projected Disbursements: \$19.2M

Requested Liquidity Needs: \$17.6M

Proposed Liquidity Sources:

<u>Manager</u>	<u>Mandate</u>	<u>Liquidation Amount (\$)</u>
SSgA S&P 500	Passive D/LCC	13.8M
SSgA MSCI ACWI x/US	Passive IE	3.8M

*Motion to approve: Trustee Dalton*

*Second: Trustee Markovich*

*Unanimously approved by roll call vote.*

### **Actuarial Valuation 2023 Presentation**

Subject Matter: Mr. Franken, Foster & Foster presented the results of the 2023 Actuarial Valuation.

Board Action: None. Update only.

### **Statement of Economic Interest Deadline**

Subject Matter: Fund staff reminded the Board that Statements of Economic Interest must be filed by May 1<sup>st</sup>.

Board Action: None. Update only.

### **April 30<sup>th</sup> Retirement Applications To-Date**

Subject Matter: Fund staff shared with the Board the casework so far for April 30 retirements and projections on what it may be by filing deadline.

Board Action: None. Update only.

### **Project Ascent & Ancillary IT Projects**

Subject Matter: Fund staff update the Board on Project Ascent and ancillary IT projects.

Board Action: None. Update only.

### **Educational Opportunities 2024 Discussion**

Subject Matter: Fund staff updated the Board on upcoming opportunities for Trustee and Staff education.

Board Action: None. Update only.

## **Legal & Legislative**

### **Legal Matters – Illinois Paid Leave for All Workers Act**

Subject Matter: Fund staff distributed to the Board a memorandum from their Fiduciary Counsel regarding the Illinois Paid Leave for All Workers Act.

Board Action: None. Update only.

### **Legislative Update**

Subject Matter: Tom Walsh, Legislative Liaison, updated the Board on the legislative activities in Springfield.

Board Action: None. Update only.

## **Staff Investment Update(s)**

### **Manager Presentations – EARNEST Partners & Aristotle Capital**

Subject Matter: Annual presentations from EARNEST Partners, International Equity, and Aristotle Capital, International Equity. Questions ensued.

Board Action: None. Update only.

### **Current vs. Target Asset Allocation**

Subject Matter: Staff presentation of the Fund's investment portfolio asset allocation in comparison to targets.

Board Action: None. Update only.

### **Watchlist Update**

Subject Matter: Staff presentation of the status of investment managers currently on watch.

Board Action: None. Update only.

### **RFP Private Credit Contract & Funding Update**

Matter was moved to the end of the meeting and discussed in Executive Session in accordance with 5 ILCS 120/2(c)(7).

### **Investment Consultant RFP - Update**

Matter was moved to the end of the meeting and discussed in Executive Session in accordance with 5 ILCS 120/2(c)(7).

## **Investment Consultant Report(s)**

### **Market Environment**

Subject Matter: Investment Consultant update on the investment markets.

Board Action: None. Update only.

### **Monthly Flash Report**

Subject Matter: Monthly presentation of investment performance by Investment Consultant.

Board Action: None. Update only.

**Miscellaneous / Old Business / New Business**

Subject Matter: The Executive Director read a Resolution recognizing President Kevin Young for his years of service to the Retirement Fund members. He will be retiring as of 5/01/24.

Board Action: Congratulations to President Young.

Subject Matter: In accordance with 40 ILCS 5/13-704 a slate of Board officers was introduced.

Motion to approve: *President Young*

Second: *Trustee Dalton*

*Unanimously approved by roll call vote.*

**Executive Session – (12:07 p.m. to 12:44 p.m.)**

The Board went into Executive Session in accordance with 5 ILCS 120/2(c)(7).

Motion to approve: *Commissioner Spyropoulos*

Second: *Trustee Dalton*

*Unanimously approved by roll call vote.*

The Board came out of Executive Session.

Motion to approve: *Commissioner Spyropoulos*

Second: *Trustee Quezada*

*Unanimously approved by roll call vote.*

Subject Matter: Direction for staff to begin the process of negotiating an agreement with Partners Group for a Private Credit mandate.

Motion to approve: *Trustee Markovich*

Second: *Vice President Kennedy*

*Unanimously approved by roll call vote.*

**Adjournment 04/24/24 Meeting**

Motion to approve: *Trustee Dalton*

Second: *Commissioner Spyropoulos*

*Unanimously approved by roll call vote.*

Meeting adjourned 12:46 p.m.

Respectfully submitted,

Hon. Mariyana T. Spyropoulos / Secretary

Jim Mohler / Executive Director

Prepared by:

Vrinda Kulkarni / Accounting Supervisor