

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees July 31, 2024

Meeting#: 1218

Call to order: 10:02 a.m.

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

Presiding: Bonnie T. Kennedy, President

Roll Call:

Trustees:	Present	Absent
Bonnie T. Kennedy, President	X	
John R. Markovich, Vice President	X	
Hon. Mariyana T. Spyropoulos, Secretary	X	
John P. Dalton	X	
Robert Quezada	X	
Hon. Kari K. Steele	X	
Bruce Sullivan, Jr.	X	

Staff present: Jim Mohler, Executive Director
Mary Murphy, Operations Manager
Brian Gillespie, Investment Officer

Also present: Alberto Rivera, Marquette Associates
Kirstin Carlson, Provaliant
Jason Franken, Foster & Foster
Steve Lux, MWRD Treasurer
Shellie Riedle, MWRD Administrative Services Officer
Irene Green, MWRD Budget Officer
Craig Thrasher, Kayne Anderson
Hyung Kim, Kayne Anderson
Jason Pomatto, Kayne Anderson
Dan Burr, Driehaus Capital
Tom Seftenberg, Driehaus Capital

Public Comment

President Kennedy solicited public comments; there were none.

Trustee Vacancy Discussion / Selection

The Board made a motion to appoint Bruce Sullivan, Jr. to fill the vacancy of an Elective Trustee with the Retirement of Kevin Young.

Motion to approve: Commissioner Spyropoulos

Second: Trustee Dalton

Unanimously approved by roll call vote.

Oath of Office – New Trustee

Trustee Bruce Sullivan, Jr. took the Oath of Office as an Elective Trustee. Trustee Sullivan received a round of applause and congratulations.

Regular Business

Approval Regular Meeting Minutes – 6/26/24

Motion to approve: Commissioner Spyropoulos

Second: Trustee Dalton

Approved by roll call vote. Trustee Sullivan votes present.

Approval Executive Session Minutes – 6/26/24 and to remain closed

Motion to approve: Trustee Dalton

Second: Commissioner Steele

Approved by roll call vote. Trustee Sullivan votes present.

Approval of Meeting Agenda – 07/31/24

Motion to approve: Trustee Quezada

Second: Vice President Markovich

Approved by roll call vote. Trustee Sullivan votes present.

Consent Agenda

Administrative Expenses – 21 items, \$620,632.05

Motion to approve: Trustee Dalton

Second: Trustee Quezada

Approved by roll call vote. Trustee Sullivan votes present.

Investment Expenses – N/A

Employee Annuitants - 7 annuitants, \$27,647.74

Motion to approve: Trustee Quezada

Second: Trustee Dalton

Approved by roll call vote. Trustee Sullivan votes present.

Surviving Spouse Annuitants – 5 annuitants, \$30,682.73

Motion to approve: Commissioner Spyropoulos

Second: Commissioner Steele

Approved by roll call vote. Trustee Sullivan votes present.

Child Annuitants – 1 annuitant, \$500.00

Motion to approve: Trustee Dalton

Second: Commissioner Spyropoulos

Approved by roll call vote. Trustee Sullivan votes present.

Refunds – 6 refunds, \$93,610.78

Motion to approve: Trustee Quezada

Second: Trustee Dalton

Approved by roll call vote. Trustee Sullivan votes present.

Duty Disability Benefits - 13 members, \$ 492.16 combined daily rate

Motion to approve: Vice President Markovich

Second: Commissioner Steele

Approved by roll call vote. Trustee Sullivan votes present.

Ordinary Disability Benefits - 9 members, \$2,283.46 combined daily rate

Motion to approve: Commissioner Spyropoulos

Second: Commissioner Steele

Approved by roll call vote. Trustee Sullivan votes present.

Administrative

Cash Allocation

Liquidity needs for projected disbursements:

Month: September 2024

Projected Disbursements: (\$18.8M)

Requested Liquidity Needs: \$15.5M

Proposed Liquidity Sources:

<u>Manager</u>	<u>Mandate</u>	<u>Liquidation Amount (\$)</u>
SSgA S&P500	Domestic Equity Passive	9.5M
DFA EM	International Equity EM	6.0M

Motion to approve: Vice President Markovich

Second: Trustee Dalton

Approved by roll call vote. Trustee Sullivan votes present.

Project Ascent & Ancillary IT Projects

Subject Matter: Fund staff and Consultant updated the Board on Project Ascent and ancillary IT projects. A request was made to approve staff change requests that would incur \$46,530 in projected cost.

Motion to approve: Trustee Dalton

Second: Vice President Markovich

Approved by roll call vote. Trustee Sullivan votes present.

2023 Projection Modeler Review

Subject Matter: Jason Franken from Foster & Foster, Consulting Actuary presented to the Board the 2023 Actuarial Projection Modeler, which is an interactive tool to make financial projections regarding the Fund over the next 50 years. Much discussion ensued.

Board Action: None. Update only.

2023 Annual Comprehensive Financial Report – Presentation to District

Subject Matter: Fund staff informed the Board that they would be presenting the 2023 Annual Comprehensive Financial Report to the District Commissioners on August 8th.

Board Action: None. Update only.

2024 Trustee Election

Subject Matter: Fund staff requested Board to approve the draft Rules of Election; Rules are largely the same as prior year, with only date changes.

Motion to approve: Trustee Quezada

Second: Trustee Dalton

Approved by roll call vote. Trustee Sullivan votes present

Subject Matter: Fund staff informed the Board the annual Trustee Election will begin in September and, if there is a need for an election, it will be done online to help streamline the voting process for members and encourage a larger voter turnout.

Board Action: None. Update only.

NCPERS CEO Summit – Post Conference Memorandum

Subject Matter: Fund staff presented to the Board the highlights of the NCPERS CEO Summit.

Board Action: None. Update only.

Fund Newsletter Update

Subject Matter: Fund staff updated the Board on the status of the Fund newsletter which should be ready for distribution by next week.

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

Subject Matter: Fund staff presented to the Board the revised Employee Handbook for Board consideration. Changes included necessary revisions to be in compliance with the Illinois Paid Leave Act.

Motion to approve: Commissioner Spyropoulos

Second: Commissioner Steele

Unanimously approved by roll call vote.

Subject Matter: Fund staff informed the Board of the status of the Benefit Focus/Business Associates Agreement revisions in regards to providing administrative assistance to the District regarding their retiree Healthcare OPEB plan

Board Action: None. Update only.

Legislative Update N/A

Staff Investment Update(s)

Manager Presentations –

Subject Matter: Annual presentations from Kayne Anderson and Driehaus Capital. Questions ensued.

Board Action: None. Update only.

Current vs. Target Asset Allocation

Subject Matter: Staff presentation of the Fund's investment portfolio 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

Subject Matter: Staff informed the Board that we are under contract with Partners Group and funding will occur in the beginning of August.

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 N/A

Adjournment 07/31/24 Meeting

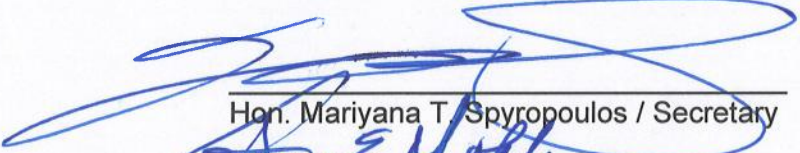
Motion to approve: Commissioner Spyropoulos

Second: Commissioner Steele

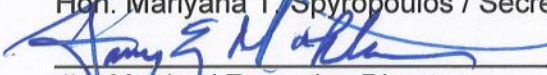
Unanimously approved by roll call vote.

Meeting adjourned. 12:26 p.m.

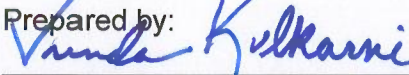
Respectfully submitted,



Hon. Mariyana T. Spyropoulos / Secretary



Jim Mohler / Executive Director

Prepared by: 

Vrinda Kulkarni / Accounting Supervisor