

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees November 19, 2024

Meeting#: 1222

Call to order: 1:31 p.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
Vrinda Kulkarni, Accounting Supervisor

Also present: Kweku Obed, Marquette Associates
Steve Lux, MWRD Treasurer
Kirstin Carlson, Provaliant
Jonathan Grabowy, MWRD Employee

Public Comment

President Kennedy solicited public comments; there were none.

Regular Business

Approval of Meeting Minutes – 10/30/24

Motion to approve: Trustee Quezada

Second: Commissioner Spyropoulos

Approved by roll call vote.

Approval of Executive Session Minutes – N/A
Approval of Meeting Agenda – 11/19/24
Motion to approve: Commissioner Spyropoulos
Second: Trustee Quezada
Approved by roll call vote.

Consent Agenda

Administrative Expenses – 20 items, \$153,561.51
Motion to approve: Trustee Quezada
Second: Trustee Dalton
Approved by roll call vote.

Investment Expenses – 18 items, \$902,443.16
Motion to approve: Vice President Markovich
Second: Trustee Quezada
Approved by roll call vote.

Employee Annuitants - 4 annuitants, \$12,226.12
Motion to approve: Commissioner Spyropoulos
Second: Trustee Quezada
Approved by roll call vote.

Surviving Spouse Annuitants – 2 annuitants, \$6,960.61
Motion to approve: Trustee Dalton
Second: Vice President Markovich
Approved by roll call vote.

Child Annuitants – N/A
Refunds – 5 refunds, \$79,123.79
Motion to approve: Trustee Dalton
Second: Commissioner Spyropoulos
Approved by roll call vote.

Duty Disability Benefits – 14 members, \$819.01 combined daily rate
Motion to approve: Trustee Quezada
Second: Vice President Markovich
Approved by roll call vote.

Ordinary Disability Benefits - 4 members, \$563.15 combined daily rate & 1 30-day waiver
Motion to approve: Vice President Markovich
Second: Trustee Quezada
Approved by roll call vote.

Administrative

Cash Allocation

Liquidity needs for projected disbursements:
Month: January 2025
Projected Disbursements: (\$17.6M)
Requested Liquidity Needs: \$16.5M

Proposed Liquidity Sources:

<u>Manager</u>	<u>Mandate</u>	<u>Liquidation Amount (\$)</u>
Mesirow Financial	Small Cap Value	9.8M
Wasatch Advisors	Small Cap Value	6.7M

Motion to approve: Trustee Dalton
Second: Vice President Markovich
Approved by roll call vote.

Project Ascent & Ancillary IT Projects

Subject Matter: Fund staff updated the Board on Project Ascent and ancillary IT projects.
Board Action: None. Update only.

Provaliant Presentation

Subject Matter: Representative from Provaliant updated the Board on Project Ascent.
Board Action: None. Update only.

2025 Board Meeting Dates / Manager Presentations

Subject Matter: Fund staff presented to the Board the Retirement Board meeting schedule for 2025.
Board Action: Motion to approve the 2025 Board meeting dates.

Motion to approve: Trustee Dalton
Second: Commissioner Spyropoulos
Approved by roll call vote.

RFP Auditing Services

Subject Matter: Fund staff presented the results for the RFP for Auditing Services and made a provider recommendation for Board consideration.
Board Action: Motion to approve Legacy Professionals to conduct the Fund’s 2024 annual audit subject to approval of an engagement letter.

Motion to approve: Trustee Quezada
Second: Trustee Dalton
Approved by roll call vote.

Six-month Executive Session Minutes Review

Subject Matter: Discussion of the current closed executive session minutes for consideration to open.
Board Action: Matter to be discussed in executive session later in the meeting.

Five-Year Operating Cash Flow Analysis

Subject Matter: Fund staff presented to the Board an analysis of the Fund’s projected operating cash flows for 2025 to 2029. Discussion ensued.

Board Action: None. Update only.

Fund Office Utilization – Stickney Plant

Subject Matter: Fund staff informed the Board of their discussions with the District on having a more functional presence at the Stickney Plant.

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

Matter of Personnel Matter to be discussed in executive session later in the meeting.

Legal Matters N/A

Legislative Update

Subject Matter: Fund staff updated the Board on potential legislative initiatives by the District in the 2025 Legislative Session and possible administrative requests by the Retirement Fund. Recent bills filed that may affect the Fund were discussed.

Board Action: None. Update only.

Staff Investment Update(s)

Manager Presentations –

Subject Matter: Annual presentation from Brightwood Capital, one of the Fund’s private credit managers.

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.

MWDBE Utilization Quarterly Report

Subject Matter: Staff presentation of the Fund’s utilization of MWDBE investment service providers compared to Board policy.

Board Action: None. Update only.

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.

Third Quarter Performance Report

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

Board Action: None. Update only.

Infrastructure and Real Estate Discussion

Subject Matter: Investment Consultant and Fund staff discussed with the Board adding Infrastructure to the Fund’s asset allocation and determining the makeup of the Fund’s Real Estate allocation long-term

Board Action: None. Update only.

Domestic Equity – Capitalization Exposure Discussion

Matter to be discussed at the next month’s meeting.

Miscellaneous

A resolution recognizing Commissioner Mariyana Spyropoulos was read into the Fund record. Trustees thanked Commissioner Spyropoulos for her dedicated service to the Retirement Fund.

Executive Session

Subject Matter: Discussion of closed session executive session minutes and matter of personnel.
Board Action: Board went into Executive Session under 5 ILCS 120/2(c)(1) & (21) at 3:54 p.m.
Board Action (Post): Upon returning to open session at 4:17 p.m., a motion was made to approve the opening of executive session minutes and destruction of transcripts of 7 closed meetings that took place 2023-2024 as recommended by Fund staff and in accordance with Illinois law.

Motion to approve: Trustee Dalton
Second: Trustee Quezada

Approved by roll call vote.

Board Action (Post): A motion was made to maintain as closed the executive session minutes of 6 closed meetings that took place 2019-2024 as recommended by Fund staff and in accordance with Illinois law.

Motion to approve: Trustee Dalton
Second: Trustee Quezada

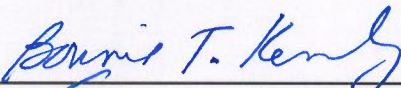
Approved by roll call vote.

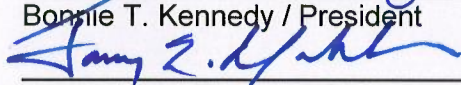
Adjournment 11/19/24 Meeting

Motion to approve: Commissioner Spyropoulos
Second: Trustee Quezada
Unanimously approved by roll call vote.

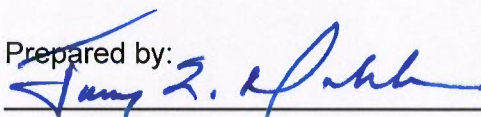
Meeting adjourned. 4:20 p.m.

Respectfully submitted,



Bonnie T. Kennedy / President


Jim Mohler / Executive Director

Prepared by:


Jim Mohler / Executive Director