

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees January 29, 2025

Meeting#: 1224

Call to order: 10:01 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. Kari K. Steele, Secretary	X	
Hon. Yumeka Brown	X	
John P. Dalton		X
Jonathan S. Grabowy	X	
Robert Quezada	X	

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

Also present: Kweku Obed, Marquette Associates
Steve Lux, MWRD Treasurer
Nicole Sanders, Commissioner Brown Chief of Staff

Public Comment

President Kennedy solicited public comments; there were none.

Oath of Office

Vice President Markovich administered the Oath of Office for Commissioner Yumeka Brown for the Appointed Trustee term ending January 31, 2028.

Regular Business

Approval of Meeting Minutes – 12/17/24

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Commissioner Brown votes present.

Approved by roll call vote.

Approval of Executive Session Minutes – 12/17/24

Motion to approve: Trustee Quezada

Second: Trustee Grabowy

Commissioner Brown votes present.

Approved by roll call vote.

Approval of Meeting Agenda – 1/29/25

Motion to approve: Vice President Markovich

Second: Commissioner Steele

Commissioner Brown votes present.

Approved by roll call vote.

Consent Agenda

Administrative Expenses – 26 items, \$227,641.53

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Commissioner Brown votes present.

Approved by roll call vote.

Investment Expenses – N/A

Employee Annuitants - 4 annuitants, \$21,901.01

Motion to approve: Trustee Quezada

Second: Vice President Markovich

Commissioner Brown votes present.

Approved by roll call vote.

Surviving Spouse Annuitants – 3 annuitants, \$7,415.57

Motion to approve: Trustee Quezada

Second: Trustee Grabowy

Commissioner Brown votes present.

Approved by roll call vote.

Child Annuitants – 1 annuitant, \$500.00

Motion to approve: Vice President Markovich

Second: Trustee Grabowy

Commissioner Brown votes present.

Approved by roll call vote.

Refunds – 12 refunds, \$307,005.66

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Commissioner Brown votes present.

Approved by roll call vote.

Duty Disability Benefits – 13 members, \$627.60 combined daily rate

Motion to approve: Trustee Grabow

Second: Vice President Markovich

Commissioner Brown votes present.

Approved by roll call vote.

Ordinary Disability Benefits - 9 members, \$1,892.34 combined daily rate

Motion to approve: Trustee Grabow

Second: Vice President Markovich

Commissioner Brown votes present.

Approved by roll call vote.

Ordinary Disability Benefits (30 Day Waiver Case) - 1 member, \$153.28 combined daily rate

Motion to approve: Commissioner Brown

Second: Trustee Quezada

Conditional approval by roll call vote.

Administrative

Cash Allocation

Liquidity needs for projected disbursements:

Month: March 2025

Projected Disbursements: (\$18.5M)

Requested Liquidity Needs: \$16.1M

Proposed Liquidity Sources:

<u>Manager</u>	<u>Mandate</u>	<u>Liquidation Amount (\$)</u>
SSgA S&P500 Index	Large Cap Passive	7.8M
SSgA Russell 1000 Growth Index	Large Cap Passive	8.3M

Motion to approve: Trustee Quezada

Second: Vice President Markovich

Commissioner Brown votes present.

Approved by roll call vote.

Requirement To Report Fraud (40 ILCS 5/1-135)

Subject Matter: Fund staff read into the record 40 ILCS 5/1-135 regarding the requirement of reporting the suspicion of fraud against the Fund.

Board Action: None. Update only.

Project Ascent & Ancillary IT Projects

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

Board Action: None. Update only.

Trustee Education 2024 Certification Approval

Subject Matter: Fund staff presented to the Board the 2024 Certification of Trustee Education for their approval and submission to the State of Illinois.

Motion to approve: Trustee Quezada

Second: Trustee Grabowy

Approved by roll call vote.

Educational Opportunities 2025 Discussion

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

Board Action: None. Update only.

Legal & Legislative

Legal Update

Matter of Personnel Matter to be discussed in Executive Session.

Matter of Possible Securities Litigation Matter to be discussed in Executive Session.

Executive Session

Subject Matter: Discussion of matter of possible litigation and matter of personnel.

Board Action: Board went into Executive Session under 5 ILCS 120/2(c)(1) & (11) at 11:02 a.m.

Board Action (Post): Upon returning to open session at 11:19 a.m., the Board made a motion to approve a books and records demand and litigation if necessary to receive the requested documentation.

Motion to approve: Commissioner Brown

Second: Trustee Quezada

Approved by roll call vote.

Legislative Initiatives for 2025

Subject Matter: Fund staff discussed introducing two administrative bills in the upcoming session and working with the Fund's Legislative Liaison to submit to LRB and locate bill sponsors.

Board Action: The Board voted on the two administrative bills separately; reintroducing last year's administrative initiative (Bill 1) and this year's administrative initiative (Bill 2).

Motion to approve (Bill 1): Trustee Grabowy

Second: Commissioner Brown

Approved by roll call vote.

Motion for vote (Bill 2): Trustee Grabowy

Second: Trustee Quezada

Ayes: Commissioner Steele, Commissioner Brown, Trustee Quezada, Vice President

Markovich, and President Kennedy.

Nays: Trustee Grabowy

Approved by roll call vote.

District Request for Legislative Impact Statements

Subject Matter: Fund staff informed the Board of discussions with the District regarding possible legislation and the preparation of actuarial impact statements to address some of the matters that may affect the Fund. Staff requested for the approval to move forward on requested impact statements up to the amount approved in the 2025 Administrative Budget.

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Approved by roll call vote.

Staff Investment Update(s)

Manager Presentations – N/A

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.

Annual Investment Consultant Disclosures

Subject Matter: Fund staff distributed to the Board the annual Investment Consultant Disclosures for their review.

Board Action: None. Update only.

2025 Investment Committee Dates/Times

Subject Matter: Fund staff requested approval of the Investment Committee schedule for 2025.

Motion to approve: Vice President Markovich

Second: Trustee Quezada

Approved by roll call vote.

Matter of Mesirow Financial Small Cap Account

Subject Matter: Fund staff requested approval of the assignment of the Mesirow agreement to MetLife.

Motion to approve: Trustee Quezada

Second: Commissioner Steele

Approved by roll call vote.

Matter of Mesirow Financial Small Cap Account

Subject Matter: Fund staff requested that the Board consider putting the Mesirow account on watch for purpose of ownership change.

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Approved by roll call vote.

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.

Infrastructure RFP Consideration

Subject Matter: Fund staff updated the Board on the statue of the Infrastructure RFP.

Board Action: None. Update only.

Miscellaneous

Subject Matter: Trustee Grabowy initiated discussion regarding Ordinary Disability and the Fund's processes in administering the benefit provided by the Illinois Pension Code. Discussion ensued.

Board Action: None. Discussion only.

Adjournment 1/29/25 Meeting

Motion to approve: Commissioner Steele

Second: Trustee Quezada

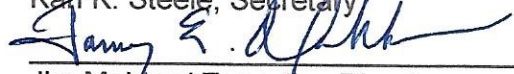
Unanimously approved by roll call vote.

Meeting adjourned. 12:58 p.m.

Respectfully submitted,



Kari K. Steele, Secretary



Jim Mohler / Executive Director

Prepared by:


Jim Mohler / Executive Director