

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees May 28, 2025

Meeting #: 1228

Call to order: 10:03 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
Vrinda Kulkarni, Accounting Supervisor
Vitaliy Bunimovich, Information Technology Supervisor

Also present: Kweku Obed, Marquette Associates
Steve Lux, MWRD Treasurer
Colin Thompson, Legacy Professionals
Angelica Palacios, Legacy Professionals
Taylor Muzzy, Jacobs, Burns, Orlove, and Hernandez
Maria Bascetta, UBS
Paul Canning, UBS
Bradley Meyers, DWS
Norton O'Meara, DWS
Angela Myers, Loop Capital

Commissioner Brown entered at 10:05 a.m.

Trustee Quezada entered at 10:06 a.m.

Public Comment

President Kennedy solicited public comments; there were none.

Regular Business

Approval of Meeting Minutes – 4/30/25

Motion to approve: Trustee Dalton

Second: Trustee Grabowy

Approved by roll call vote.

Approval of the Investment Committee Meeting Minutes – 2/18/25

Motion to approve: Trustee Grabowy

Second: Trustee Dalton

Approved by roll call vote.

Approval of Executive Session Minutes – N/A

Approval of Meeting Agenda – 5/28/25

Motion to approve: Trustee Grabowy

Second: Trustee Dalton

Approved by roll call vote.

Consent Agenda

(Enter Commissioner Brown at 10:05 a.m. and Trustee Quezada at 10:06 a.m.)

Administrative Expenses – 26 items, \$623,782.98

Motion to approve: Trustee Dalton

Second: Trustee Grabowy

Approved by roll call vote.

Investment Expenses – 19 items, \$948,831.56

Motion to approve: Trustee Grabowy

Second: Trustee Dalton

Approved by roll call vote.

Employee Annuitants – 27 annuitants, \$159,642.22

Motion to approve: Trustee Grabowy

Second: Commissioner Steele

Approved by roll call vote.

Surviving Spouse Annuitants – 2 annuitants, \$8,771.86

Motion to approve: Commissioner Steele

Second: Trustee Grabowy

Approved by roll call vote.

Child Annuitants – N/A

Refunds – 12 refunds, \$381,372.41

Motion to approve: Commissioner Steele

Second: Trustee Dalton

Approved by roll call vote.

Duty Disability Benefits – 13 members, \$541.81 combined daily rate

Motion to approve: Commissioner Steele

Second: Trustee Quezada

Approved by roll call vote.

Ordinary Disability Benefits – 8 members, \$1,531.38 combined daily rate and (1) 30-day waiver

Motion to approve: Trustee Dalton

Second: Trustee Grabowy

Approved by roll call vote.

Administrative

Cash Allocation

Liquidity needs for projected disbursements:

Month: July 2025

Projected Disbursements: (\$18.5M)

Requested Liquidity Needs: \$16.8M

Proposed Liquidity Sources:

<u>Manager</u>	<u>Mandate</u>	<u>Liquidation Amount (\$)</u>
Kayne Anderson Rudnick	Intl. SC	9.0M
Earnest Partners	Intl. LC	7.8M

Motion to approve: Commissioner Steele

Second: Commissioner Brown

Approved by roll call vote.

2024 DRAFT Audit Report Presentation

Subject Matter: Colin Thompson and Angelica Palacios from Legacy Professionals, Fund Auditors, presented the results from the 2024 Audit Report. Discussion ensued.

Board Action: Board went into Executive Session under 5 ILCS 120/2(c)(21) at 10:32 a.m.

Motion to approve: Trustee Dalton

Second: Commissioner Brown

Approved by roll call vote.

Board exited Executive Session at 10:35 a.m. Mr. Thompson and Ms. Palacios were thanked for their presentation.

Project Ascent & Ancillary IT Projects

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

Board Action: None. Update only.

Office Space Construction Update

Subject Matter: Fund staff updated the Board on the status of the Office construction.

Board Action: None. Update only.

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

Summons Receive Discussion

Subject Matter: The Fund's Fiduciary Counsel met with the Board regarding a Summons received by the Fund.

Board Action: The Board went into Executive Session under 5 ILCS 120/2(c)11 at 10:44 a.m..

Motion to approve: Trustee Grabowy

Second: Trustee Quezada

Approved by roll call vote.

The Board exited Executive Session at 11:07 a.m.

The Board directed the Fund's Fiduciary Counsel and the Executive Director to work on the allegations and the relief requested in the document.

Motion to approve: Trustee Dalton

Second: Commissioner Brown

Approved by roll call vote.

Fiduciary Counsel Utilization Discussion

Subject Matter: Fund staff informed the Board that the 5-year retainer agreement with Fiduciary Counsel will expire on 6/30/25. Fund staff stated they will prepare an RFI and identify interested firms via direct contact and posting on our website.

Board Action: Matter was not discussed by the Board.

Personnel Matter

Board Action: Board moved the matter to the end of the meeting.

Legislative Update

104th General Assembly Spring Session Update

Subject Matter: Fund staff updated the Board on the Illinois Legislature Spring Session. Discussion ensued.

Board Action: None. Update only.

DRAFT Impact Statements

Subject Matter: Fund staff discussed with the Board the various impact statements requested by the Board and created by Foster & Foster, Fund Actuary. Discussion ensued.

Board Action: None. Update only.

Staff Investment Update(s)

Manager Presentations – UBS Real Estate and DWS RREEF

Subject Matter: Representatives from UBS and DWS discussed the performance of their mandate(s) and the current status of the economy. Discussion 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: Motion to remove MFS from watch.

Motion to approve: Trustee Quezada

Second: Trustee Grabowy

Approved by roll call vote.

Motion to add Ariel Investments to the watch list for personnel matters.

Motion to approve: Commissioner Brown

Second: Trustee Dalton

Approved by roll call vote.

MWDBE Quarterly Utilization Report

Subject Matter: Staff presented the utilization of MWDBE investment firms during the first quarter.

Board Action: None. Update only.

Investment Committee Meeting Follow-up

Subject Matter: Fund staff and Investment Consultant updated the Board on the matter regarding India exposure for the Driehaus Capital international small cap account.

Board Action: Motion to move the investment account with Driehaus from a separate account to their commingled product.

Motion to approve: Trustee Dalton

Second: Trustee Quezada

Approved by roll call vote. Trustee Grabowy votes present.

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

Subject Matter: Fund staff informed the Board that interviews with infrastructure finalists will be held on June 10th.

Board Action: None. Update only.

Miscellaneous No matters discussed.

Personnel Matter (Deferred from earlier in the meeting.)

Board Action: Motion to go into Executive Session under 5 ILCS 120/2(c)(1) at 12:39 p.m.

Motion to approve: Trustee Dalton

Second: Trustee Grabowy

Unanimously approved by roll call vote.

The Board exited the Executive Session at 12:46 p.m. No action taken.

Adjournment 5/28/25 Meeting

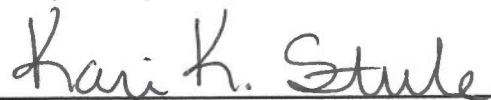
Motion to approve: Trustee Grabowy

Second: Trustee Quezada

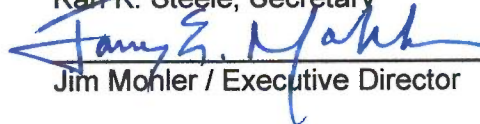
Unanimously approved by roll call vote.

Meeting adjourned. 12:47 p.m.

Respectfully submitted,

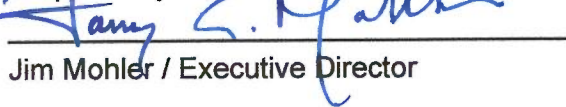


Kari K. Steele, Secretary



Jim Mohler / Executive Director

Prepared by:


Jim Mohler / Executive Director