METROPOLITAN WATER RECLAMATION DISTRICT RETIREMENT FUND

A COMPONENT UNIT OF THE
METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO
CHICAGO, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEARS ENDED
DECEMBER 31, 2024 AND 2023

PREPARED BY THE ADMINISTRATIVE STAFF OF THE MWRDRF

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INTRODUCTORY SECTION

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Water Reclamation District Retirement Fund Illinois

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

METROPOLITAN WATER RECLAMATION DISTRICT RETIREMENT FUND

Jim Mohler
Executive Director

June 30, 2025

To the Members of the Metropolitan Water Reclamation District Retirement Fund and the Board of Trustees:

Submitted herewith is the Annual Comprehensive Financial Report (ACFR) of the Metropolitan Water Reclamation District Retirement Fund (Fund) for the year ending December 31, 2024. This ACFR provides a comprehensive overview of the Fund's activities and operations for the year. The management of the Fund is responsible for the completeness and accuracy of the information presented in this report. In accordance with the Illinois Pension Code, the Fund's financial statements for the fiscal year ended December 31, 2024, have been subject to an audit by independent auditors selected by the Board of Trustees. The unmodified opinion of Legacy Professionals, LLP, has been included in the Financial Section of this report.

Management has established and maintained a system of internal accounting controls designed to safeguard Fund assets and ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management. To the best of our knowledge and belief, the enclosed financial statements, supporting schedules and statistical tables are accurate in all material respects and are reported in a manner designed to present fairly the financial position and the results of operations of the Fund.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section following the report of the independent auditor.

FUND PROFILE

The Fund was established in 1931 by the State of Illinois legislature and is administered in accordance with Articles 1, 13, and 20 of the Illinois Pension Code (40 ILCS Act 5).

The Fund is led by a Board of Trustees, that administers a single employer defined benefit public employee retirement fund sponsored by the Metropolitan Water Reclamation District of Greater Chicago (MWRD or District) to provide retirement, survivor, and disability benefits for certain employees of the District, Fund employees, and qualified beneficiaries. The Fund is a pension trust fund of the District and as such, is included in their financial statements.

At the direction of the Board of Trustees (Board), the mission of the Fund is to provide earned benefits to the Fund membership with excellent customer service and to preserve the fiscal integrity and financial stability of the Fund.

As of December 31, 2024, the Fund serves a total of 4,405 members; 1,799 active members, 2,454 benefit recipients, and 152 inactive members. A further description of the Fund membership and other demographic information is provided within the notes to the financial statements in the Financial Section and within the Actuarial Section of this report.

FINANCIAL CONDITION

Financial Position

In 2024, the Net Position of the Fund increased by $97.4 million, reflecting positive returns on Fund assets that exceeded the necessary liquidation of Fund assets to pay required benefits. For a more detailed analysis of the Fund's financial position, please refer to the Financial and Investment Sections of this report.

Objective and Sources of Funding

The objective of the Fund is to administer the benefits codified within the Illinois Pension Code (Code) to present and future members. Benefits earned are funded by contributions from the Plan Sponsor (the District), employees, and earnings on Fund assets.

Earnings on Fund assets typically provide the largest portion of total additions in any given year. In 2024, the invested assets of the Fund earned a rate of return of 10.20% net of fees, compared to the 2023 rate of return of 12.98%. The ten-year annualized net rate of return on the Fund's investments is 6.3%, which fell below the actuarially assumed rate of return of 7.00%. The fifteen-year annualized net rate or return on the Fund's investments is 7.8%, exceeding the actuarially assumed rate of return.

Employer contributions have grown steadily since 2012 due to the passage of PA 97-0894 and the establishment of a funding policy by the District Board of Commissioners in 2014. Since then, the Fund has received employer contributions that have met or exceeded the actuarial determined contribution required by the Code.

Employee contributions are withheld from employees' salaries in accordance with the Code. Since 2015, Tier I employees have contributed 12% of their salary, which will continue until the Fund reaches 90% funded. Contributions from Tier II employees, hired after December 31, 2010, are set at 9% of salary, with a pensionable salary capped at $125,774 in 2024.

Funding Status

An important measure of the long-term financial stability of a pension fund is its funded ratio which compares the actuarial value of assets to the actuarial accrued liability. The greater the funded ratio, the greater assurance is given to participants that the Fund shall be able to pay pension benefits in the future. The Fund engages an independent actuary to perform an annual actuarial valuation of the Fund. The December 31, 2024, valuation report stated the actuarial value of assets (AVA) at $1.691 billion, the actuarial accrued liability (AAL) at $3.022 billion, leaving an unfunded AAL of $1.331 billion and resulting in a funded ratio of 56.0%.

A funded ratio is a measure at one point in time but is best viewed in the context of its historical trend to assess a fund's progress towards being fully funded. For a more complete understanding of the Fund's funding status, the reader is encouraged to review the Actuarial Section of this report which contains a summary of valuation results, schedules that analyze funding, and details about the data used in the valuation. Ten-year trend information is available in both the Actuarial and Statistical Sections.

Investments

The Board utilizes an investment consulting firm who assists with investment manager searches, manager selection and oversight, performance reporting, attribution analysis, and the development of an investment policy that establishes a prudent level of risk to attempt to achieve an assumed rate of return. Invested assets are diversified to reduce the effect of non-systematic risk on returns.

At year end, the Board utilized 18 investment management firms to manage 22 separate mandates that totaled $1.557 billion in investment assets at fair value.

The Investment Section of this ACFR contains details regarding the Fund's investment policy, performance, diversification, investment expenses and a summary of the investment activities that took place in 2024. Also included are the Custodian's report and the Investment Consultant's report.

MAJOR ACTIVITIES AND HIGHLIGHTS

- Changes to the Retirement Board in 2024 by appointment or election:
    - Board President, Kevin Young, retired from his position with the District, leaving the Board in April. President Young selflessly served the Fund members for over five years, serving as President for two of those years.
    - Commissioner Mariyana Spyropoulos, Board Secretary, left the Board at the end of the year after 11 years of selfless service to the members of the Fund.
    - The Honorable District President Kari K. Steele accepted the role of Board Secretary with its vacancy.
    - Bruce Sullivan, Jr., was appointed as an Elected Trustee during the year and served till November 30th.
    - Jonathan S. Grabowy successfully ran for an Elected Trustee position. He began his four-year term on December 1st.
- Retirement Fund benefits-related activity:
    - 31,200 benefit payments were paid to retirees and beneficiaries totaling $195.7 million; over 99% were paid electronically.

    - 55 new retirees and 45 new spouse/child annuitants were added to the annuity payroll; 75 retirees and 52 spouse/child annuitants were removed from payroll due to death or termination of annuity.
    - A total of 498 annuity estimates were prepared for 270 active members.
    - $1.2 million of ordinary and duty disability benefits were processed for 58 and 66 individuals, respectively.
- Retirement Fund investment activity:
    - The Fund received a $42.7 million additional contribution from the District in March, which was invested in three State Street Index funds in accordance with the Fund's target asset allocation.
    - $35.5 million funding of a new Private Credit manager took place in July.
    - Redemptions from a Core Real Estate manager continued in 2023, with a total of $2.8M received. The funds, along with other liquidations from the investment portfolio for monthly liquidity needs totaled $94.5M.
- Retirement Fund capital projects
    - Work continued in 2024 on Project Ascent - the development of a new Pension Administration System by Levi, Ray & Shoup (LRS.)
        - Completed the requirements gathering phases for PensionGold software deliverable three, including 22 design documents and 30 correspondences.
        - Software deliverable two was released in April 2024. Staff completed the User Acceptance Testing (UAT) with criteria being met.
        - Reviewed the need for PensionGold customizations. At its July 31, 2024, meeting, the Board approved six (6) Change Requests. The customizations will be delivered in 2025.
    - Staff continued to work with Provaliant, the Fund's project oversight vendor, and MBS, the data management and transformation services vendor.
- Retirement Fund IT-related activity:
    - Procured and launched network infrastructure at Stickney to accommodate staff displacement from the Fund's main office.
    - Implemented the security changes as recommended by Depth, the cyber security audit provider, after their 2023 audit.
    - Equipped staff with new laptops and PCs.
    - Successfully produced file extracts for the BenefitFocus software project.
    - Implemented changes to the check file extract so that the Fund may fully realize the benefits of ABOC's positive pay program.
    - PensionGold implementation support.

MAJOR ACTIVITIES AND HIGHLIGHTS, continued

- Retirement Fund administrative activity:
  - In June 2024, the Board submitted the 2025 funding resolution to the District Board of Commissioners (BOC), in accordance with the Illinois Pension Code, in the amount of $90,776,000 to be funded by the District.
  - To prepare for the October Trustee Election, staff reviewed and updated the Rules of Elections for Board approval at the July Board meeting, began monitoring voting eligibility of members in August, prepared Election Packets for pickup by prospective candidates in early September. Petitions were returned for three candidates; election was held as planned.
  - Responses were prepared and sent to fulfill 34 commercial and non-commercial FOIA requests from 14 requestors.
  - Updated the Employee Handbook in compliance with the Illinois, Cook County, and City of Chicago Paid Leave Acts.
  - Updated the Business Associate Agreement between the MWRD and the Fund to enable staff to communicate with and provide member data to Benefit Focus, the MWRD's health insurance benefit platform.
  - Staff completed annual cybersecurity, workplace violence, and harassment prevention training.

- Member communications in 2024:
  - Through August 2024 Fund staff continued to serve members by phone, email, and regular mail, and in-person with expanded office hours of 8:00-4:30. In September 2024 in-office operations were disrupted by the District's renovation of their MOBA offices due to severe water damage; staff has been working on a rotating basis in our business continuity site at Stickney, and remotely.
  - Staff processed Fund membership intake for 129 District new hires and presented Fund benefit information at three District new employee seminars.
  - In early January a direct deposit advice was mailed to 2,600 annuitants. In late January, IRS Form 1099-R was prepared and mailed to approximately 2,830 recipients of benefits and refunds in 2024.
  - An August issue of Vested Interest, the Fund's newsletter, was prepared and distributed by email or regular mail to all members, and periodic updates were posted on the Fund's website.
  - Five pre-retirement seminars were presented to retirement eligible members, including the first ever seminar specifically for Tier 2 members.

MAJOR ACTIVITIES AND HIGHLIGHTS, continued

- Trustees participated in several training sessions during 2024; many conferences were held in a virtual format. Training attended by Trustees included sessions sponsored by:
  - International Foundation of Employee Benefit Plans
  - National Conference on Public Employee Retirement Systems
  - Pensions & Investments
  - Investment service providers such as Marquette Associates, Ariel Investments, and Dimensional Fund Advisors

AWARDS

The Government Financial Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to our Fund for its annual comprehensive financial report for the fiscal year ended December 31, 2023. The Certificate of Achievement is a prestigious national award recognizing excellence in the preparation of state and local government financial reports. The Metropolitan Water Reclamation District Retirement Fund has received a Certificate of Achievement for the last 31 years.

To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents meet or exceed the program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

This report is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means for determining responsible stewardship of the assets of the Fund.

The preparation of this report reflects the combined efforts of the Fund staff under the leadership of the Board of Trustees. We thank the Fund staff for their commitment to serving the membership and thank all who participated in the preparation of this report.

Respectfully submitted,

James Mohler
Jim Mohler
Executive Director

Vrinda Kulkarni
Vrinda Kulkarni, C.P.A
Accounting Supervisor

Board of Trustees
As of: 12/31/24

Post-report date note: MWRD Commissioner Yumeka Brown was appointed to the Appointed Trustee vacancy created by the resignation of Commissioner Spyropoulos; she took the oath of office in January 2025 for a 3-year term ending in January 31, 2028.

EXECUTIVE STAFF, ADVISORS, AND INVESTMENT MANAGERS
AS OF: 12/31/24

EXECUTIVE STAFF
Jim Mohler, Executive Director
Mary T. Murphy, Operations Manager

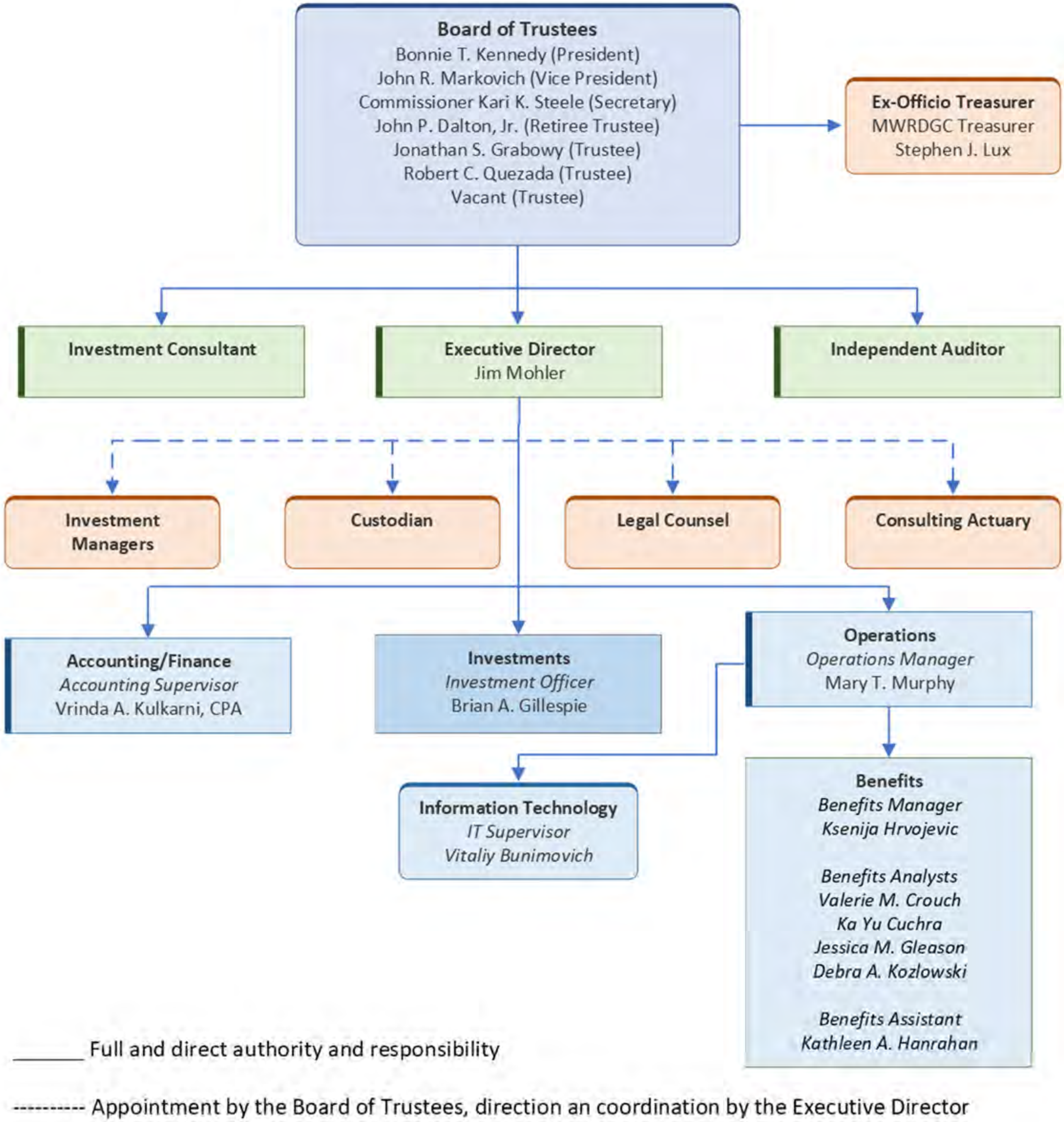
ADVISORS
- Legal Counsel: Jacobs, Burns, Orlove, and Hernandez, Chicago, IL
- Investment Consultant: Marquette Associates, Chicago, IL
- Consulting Actuary: Foster & Foster, Naperville, IL
- Independent Auditor: Legacy Professionals, LLP, Chicago, IL
- Custodian: The Bank of New York Mellon Co., New York, NY
- Banking Services: Amalgamated Bank of Chicago, Chicago, IL

INVESTMENT MANAGERS
1. Ariel Investments, Chicago, IL
2. Aristotle Capital Management, Los Angeles, CA
3. Brightwood Capital Advisors, New York, NY
4. DWS RREEF, Chicago, IL
5. Dimensional Fund Advisors, Austin, TX
6. Driehaus Capital Management, Chicago,
7. EARNEST Partners, Atlanta, GA
8. Garcia Hamilton & Associates, Houston, TX
9. Kayne Anderson Rudnick Investment Management, Los Angeles, CA
10. MFS Investment Management, Boston, MA
11. Mesirow Financial, Chicago, IL
12. Neuberger Berman, New York, NY
13. Northern Trust Asset Management, Chicago, IL
14. Partners Group, Broomfield, CO
15. Ramirez Asset Management, New York, NY
16. State Street Global Advisors, Boston, MA
17. UBS Realty Investors, Hartford, CT
18. Wasatch Advisors, Salt Lake City, UT

Assets under management and fees paid to investment professionals can be found in the Investment Section of this ACFR, on pages 69 - 72.

Organizational Chart

As of December 31, 2024



RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Board of Trustees of the Retirement Fund (Board) is composed of seven members. Three Trustees are appointed by the District Board of Commissioners (BOC), one of which must be a retired member approved by the Board, and four are employee members elected by the employee members of the Fund. Appointed members serve for terms of three years, and elected members serve for terms of four years on a rotating basis so that each year, one seat on the Board is up for election and another is up for appointment.

In accordance with the Illinois Pension Code, the Board has the powers and duties to collect all contributions due to the Fund, to direct the prudent investment of Fund assets, to authorize or suspend payment of any benefits, to make rules and regulations for the proper conduct of the Fund, and to appoint employees and consultants. The Board approves an annual budget which is prepared by Fund staff and submits an annual report on the affairs of the Fund to the District and the State of Illinois Department of Insurance.

RESPONSIBILITIES OF THE STAFF

The Board of Trustees appoints an Executive Director who is responsible for all administrative functions, supervision of staff, and for the administration and payment of benefits to the members of the Fund under the direction of the Board. The Executive Director also works closely with the Investment Consultant and Investment Officer to develop and maintain the Fund's investment policy and bring recommendations to the Board for their consideration. The Executive Director oversees the work of the Consulting Actuary who brings recommendations to the Board for the actuarial assumptions used in the annual valuation, based on an experience analysis performed at least every five years. In addition, the Executive Director works with outside legal counsel to review contracts with service providers and solicit advice on various issues including statutory interpretations, determinations from the Internal Revenue Service, and potential legal actions.

The Operations Manager supports the Executive Director in the day-to-day running of the Fund, proposes and manages technology initiatives with the IT Supervisor, manages administrative projects, and assists the Benefits Manager in the oversight of the Benefits department.

The Benefits Manager supervises a staff of five that are responsible for the production of the monthly annuity payroll, computation of annuity and disability benefits, refunds of contributions, and payments to designated beneficiaries in accordance with the Illinois Pension Code. Throughout the year Benefits staff prepare retirement estimates, participate in pre-retirement seminars, and distribute bi-annual newsletters to the Fund membership.

The Investment Officer provides monthly investment performance updates to the Board, assists with investment manager searches, asset transitions, investment monitoring, and asset allocation studies, and confirms the accuracy of all investment expenses. The Investment Officer is responsible for the Fund's cash management to ensure there is proper liquidity to pay monthly benefit payments.

The Accounting Supervisor is responsible for the general accounting that serves as the basis for the annual financial statements and works closely with the Independent Auditor to complete the annual audit. The Accounting Supervisor also coordinates staff in the preparation of the ACFR, is responsible for the processing of monthly payments of administrative expenses, coordinates the Fund's Records Retention/Storage activities, and serves as the Fund's designated FOIA Officer.

The IT Supervisor is responsible for the data processing that produces benefits payments and records employee contributions in the Fund's proprietary benefit management software, maintaining the pension database, maintaining software and hardware, and implementing various technology initiatives under the direction of the Operations Manager.

FINANCIAL SECTION

LEGACY
PROFESSIONALS LLP
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

To the Trustees
Metropolitan Water Reclamation
District Retirement Fund

Opinion

We have audited the accompanying financial statements of Metropolitan Water Reclamation District Retirement Fund (the Fund), a fiduciary fund of the Metropolitan Water Reclamation District of Greater Chicago (the District), which comprise the statements of fiduciary net position and the related statements of changes in fiduciary net position as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of Metropolitan Water Reclamation District Retirement Fund as of December 31, 2024 and 2023, and the changes in fiduciary net position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

4 Westbrook Corporate Center | Suite 700 | Westchester, IL 60154 | 312-368-0500 | 312-368-0746 Fax | | www.legacycpas.com

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; and
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the schedules of changes in the District's net pension liability and related ratios, of District contributions and related note, and of investment returns be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Fund's basic financial statements as a whole. The schedule of administrative expenses, schedule of investment expenses, schedule of payments to consultants and postemployment healthcare disclosure are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory, investment, actuarial, statistical, and legislative changes sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Legacy Professionals LLP

Westchester, Illinois

May 9, 2025

Metropolitan Water Reclamation District Retirement Fund

(A Component Unit of the Metropolitan Water Reclamation District of Greater Chicago)

Management's Discussion and Analysis

The management of the Metropolitan Water Reclamation District Retirement Fund (the Fund) presents this narrative overview of the financial statements and financial performance of the Fund for the years ended December 31, 2024 and 2023. The Management's Discussion and Analysis (MD&A) is designed to focus on current activities, resulting changes and current known facts. It should be read in conjunction with the letter of transmittal, the financial statements and their accompanying notes, required supplementary information, and other supplementary information.

Financial Highlights

- The Fund's investment portfolio returned 10.20% and 12.98% (net of fees) for the calendar years 2024 and 2023, respectively on a time-weighted basis.

- Income from contributions and investment income exceeded payments for benefits and administrative expenses in 2024, resulting in an increase in the Fund's net position restricted for benefits of $97.4 million to $1.644 billion at December 31, 2024, from the prior year end of $1.547 billion.

- The funded ratio, using the actuarial value of assets, was 56.0% as of December 31, 2024, up from 55.5% as of December 31, 2023. The increase in the funded ratio was due to favorable Fund experience and contributions in excess of the actuarially determined amounts. There were no changes in actuarial assumptions or methods from the prior year actuarial valuation. Funded ratios will vary annually depending on the volatility of the investment markets and actuarial assumption changes. However, the District's commitment to proper funding will help increase the funded ratio over time.

Understanding the Fund's Financial Statements

The Fund prepares its financial statements on an accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The statement of fiduciary net position provides information about the nature and amount of investments available to satisfy the pension benefit obligations of the Fund. The statement of changes in fiduciary net position accounts for all additions to and deductions from the net position held in trust for pension benefits. This statement measures the Fund's performance over the past year in increasing or decreasing the fiduciary net position available for pension benefits.

Understanding the Fund's Financial Statements (continued)

While the statement of fiduciary net position and statement of changes in fiduciary net position provide important financial information, significant actuarial factors also need to be considered in order to determine the financial health of the Fund. Two primary factors are the funded status and the actuarially determined contribution requirement, both of which are calculated by the Fund's actuary.

The funded ratio of the Fund is the actuarial value of assets divided by the total actuarial liability and is calculated using the 5-year smoothed fair value related method. The smoothing prevents extreme volatility in the actuarial value of assets due to short-term fluctuations in the investment markets.

Another important calculation by the Fund's actuary is the Actuarially Determined Contribution Requirement which combines the employer's normal cost with an amount needed to amortize the net pension liability by the year 2050 as a level percent of payroll. This can be compared to the actual contribution from the employer to determine the adequacy of employer contributions to the Fund's liabilities.

This report contains the following three components:

1. Basic Financial Statements which are the statement of fiduciary net position, the statement of changes in fiduciary net position, and the notes to the financial statements which contain information that is integral to the financial statements.

2. Required Supplementary Information which presents important actuarial information.

3. Other Supplementary Information which gives details of administrative, investment, and payments to consultants, as well as disclosure regarding post-employment healthcare.

Fiduciary Net Position

A summary of net position for the Fund is shown in the following table and discussion. These financial statements reflect the resources available to pay future benefits to retirees and beneficiaries at the close of the reported years. Details of fiduciary net position as of December 31, 2024 and 2023 are found on page 5.

Condensed Statement of Fiduciary Net Position

	12/31/24	12/31/23	12/31/22	$ Change	% Change
Assets					
Cash	$ 158,945	$ 273,872	$ 356,312	$ (114,927)	-42.0%
Contributions receivable	88,734,000	86,440,000	103,535,986	2,294,000	2.7%
Due from broker	2,805,998	2,117,986	1,048,145	688,012	32.5%
Other receivables	3,884,647	4,506,810	4,043,515	(622,163)	-13.8%
Investments	1,553,247,387	1,457,351,659	1,335,858,090	95,895,728	6.6%
Securities lending collatera	15,939,302	11,405,635	8,840,111	4,533,667	39.7%
Total assets	1,664,770,279	1,562,095,962	1,453,682,159	102,674,317	6.6%
Liabilities					
Accounts payable	1,205,312	1,092,197	1,023,194	113,115	10.4%
Due to broker	3,615,227	3,018,247	6,162,658	596,980	19.8%
Securities lending collatera	15,939,302	11,405,635	8,840,111	4,533,667	39.7%
Total liabilities	20,759,841	15,516,079	16,025,963	5,243,762	33.8%
Net position	$ 1,644,010,438	$ 1,546,579,883	$ 1,437,656,196	$ 97,430,555	6.3%

During 2024, the net position of the Fund increased by $97.4 million or 6.3% from net position at December 31, 2023. This increase was primarily due to the increase in investment values, resulting from positive investment returns in 2024.

Other changes in the components of assets on the statement of fiduciary net position have a corresponding change in liabilities, resulting in no effect on net position. Specifically, the amounts for assets and liabilities and securities lending collateral fluctuate from year to year depending on the amount of security transactions traded but not settled and on the amount of securities on loan at year-end.

Fiduciary net position on December 31, 2024 was $1.644 billion, representing the amount available at year end to satisfy future pension benefit obligations.

Changes in Fiduciary Net Position

A summary of changes in fiduciary net position for the Fund is follows. This summary reflects changes in the sources (additions) and uses (deductions) of funds during these years; the net increase or decrease is the change in net position available for benefits since the end of the previous fiscal year. Details of changes in fiduciary net position for the years ended December 31, 2024 and 2023 can be found on page 6.

Condensed Statement of Fiduciary Net Position

	12/31/24	12/31/23	12/31/22	$ Change	% Change
Additions					
Employer contributions	$ 131,981,743	$ 117,373,061	$ 118,458,646	$ 14,608,682	12.4%
Employee contributions	22,484,686	21,664,982	21,177,644	819,704	3.8%
Total contributions	154,466,429	139,038,043	139,636,290	15,428,386	11.1%
Net investment income (loss)	147,162,018	169,865,923	(232,527,125)	(22,703,905)	13.4%
Net securities lending incom	156,360	101,047	78,011	55,313	54.7%
Other	1,179	2,260	7,361	(1,081)	-47.8%
Total additions	301,785,986	309,007,273	(92,805,463)	(7,221,287)	2.3%
Deductions					
Annuities and benefits	199,893,594	195,246,638	189,344,284	4,646,956	2.4%
Refunds of contributions	1,806,004	1,882,834	2,239,202	(76,830)	-4.1%
Administrative expenses	2,655,833	2,954,114	2,134,803	(298,281)	-10.1%
Total deductions	204,355,431	200,083,586	193,718,289	4,271,845	2.1%
Net increase (decrease)	97,430,555	108,923,687	(286,523,752)	(11,493,132)	10.6%
Net position					
Beginning of year	1,546,579,883	1,437,656,196	1,724,179,948	108,923,687	7.6%
End of year	$ 1,644,010,438	$ 1,546,579,883	$ 1,437,656,196	$ 97,430,555	6.3%

Additions

Additions to fiduciary net position are accumulated through employer and employee contributions, and portfolio investment returns.

Changes in Fiduciary Net Position (continued)

Additions (continued)

Total contributions for 2024 were $154.4 million, an increase of approximately $15.4 million or 11.1% from 2023 primarily due to special contributions received from the District. Per current statutes, the District's employer contributions are to produce a sum that will be sufficient to meet the Fund's actuarially determined contribution requirement but shall not exceed an amount equal to employee contributions two years' prior times 4.19 (the multiplier). In 2014, the District established a Funding Policy to contribute annually an amount that over time will increase the ratio of Fund assets to accrued liabilities to 100% by the year 2050. The Fund received special contributions from the District in the amounts of $42.7 million, $30 million and $30 million for the years ended December 31, 2024, 2023 and 2022 respectively.

Employee contributions were $22.5 million in 2024, an increase of approximately $820,000 or 3.8% from 2023. In general, total employee contributions vary with changes in employer payroll.

Net investment income in 2024 was lower than the prior year by approximately $22.7 million, reflecting total returns of 10.20% compared to 12.98% in 2023. Positive returns were experienced in the U.S. and non-U.S. equity and bond markets in 2024.

Investment income is a combination of unrealized gains (losses) on investments held at year end, realized gains (losses) on investment sales, and interest and dividend income earned during the year. Investment income is shown gross and net of investment expenses which consist of fees charged by the Fund's investment managers, investment consultant, and custodian.

The Fund has participated in the securities lending program offered by the Bank of New York Mellon, the Fund's custodian bank, since 2007. The Fund also participates in the securities lending program offered by State Street Global Advisors (SSGA) with regards to their pooled funds. For the year ended December 31, 2024, securities lending activities generated net income of approximately $156,000 which is an increase of 54.7% from 2023.

Deductions

Deductions from fiduciary net position are payments made by the Fund for benefits (to retirees, survivors, and disabled employees), refunds and administrative expenses. Total deductions in 2024 were approximately $204.4 million compared to approximately $200.1 million in 2023, an increase of approximately $4.3 million, or 2.1%. The largest part of this change is due to an increase in benefit payments attributable to the 3% annual increase required by the Illinois Pension Code to qualified annuitants. In addition, annuity benefits generally increase as deceased annuitants, who may have had lower benefits, are removed from the annuitant payroll, and new retirees with higher benefits are added. Even though administrative expense makes up only 1.3% of total deductions, they are expected to be elevated beginning in 2023 through 2025 as the Fund continues its Pension Administration System (PAS) project.

Return on Investments and Asset Allocation

The Fund's rate of return on investments in 2024 was 10.19% net of fees, higher than the return of 9.1% on the Policy Index. The rate of return on investments in 2023 was 12.63% net of fees, compared to the return of 11.6% on the Policy Index. The Fund's target allocations are listed as follows:

- 38% domestic equities
- 17% international equities
- 5% global equities
- 25% fixed income
- 10% core open-end real estate
- 5% private credit

Current Asset Balances and Outlook

As of April 30, 2025, the Fund's net invested assets had a fair value of $1.568 billion a slight increase from the December 31, 2024 fair value. The Fund manages risk by holding a diversified portfolio so that the impact of positive and negative market swings in the various sectors of the portfolio offset each other over time. With continual review the target asset allocation and intermittent rebalancing, the Fund expects to achieve investment returns that outperform the actuarial assumed rate of return over the long run.

Contact Information

This financial report is intended to provide our members and other interested parties with a general overview of the Metropolitan Water Reclamation District Retirement Fund's finances. Questions concerning this report or requests for additional information should be directed to the Metropolitan Water Reclamation District Retirement Fund at 111 East Erie Street, Suite 330, Chicago, Illinois 60611, by phone at (312) 751-3230, or by email at mohlerj@mwrdrf.org.

Metropolitan Water Reclamation District Retirement Fund

Statements of Fiduciary Net Position

December 31, 2024 and 2023

	2024	2023
Assets		
Cash	$ 158,945	$ 273,872
Receivables		
Employer contributions	88,734,000	86,440,000
Due from broker	2,805,998	2,117,986
Accrued interest and dividends	3,781,127	4,404,455
Accounts receivables	103,520	102,355
Total receivables	95,424,645	93,064,796
Investments - at fair value		
Equities	452,829,974	433,830,987
U.S. Government and government agency obligations	125,409,928	121,104,041
Corporate and foreign government obligations	100,001,942	100,815,382
Mutual and exchange traded funds	45,670,811	52,927,158
Pooled funds - equity	457,956,673	418,371,880
Pooled funds - fixed income	163,536,256	159,867,462
Real estate funds	116,344,521	120,729,899
Limited partnerships - private credit	61,804,070	15,281,715
Short-term investment fund	29,693,212	34,423,135
	1,553,247,387	1,457,351,659
Securities lending collateral	15,939,302	11,405,635
Total investments	1,569,186,689	1,468,757,294
Total assets	1,664,770,279	1,562,095,962
Liabilities and Net Position		
Liabilities		
Accounts payable	1,205,312	1,092,197
Due to broker	3,615,227	3,018,247
Securities lending collateral	15,939,302	11,405,635
Total liabilities	20,759,841	15,516,079
Net position restricted for pension benefits	$ 1,644,010,438	$ 1,546,579,883

Metropolitan Water Reclamation District Retirement Fund

Statements of Changes in Fiduciary Net Position

Years Ended December 31, 2024 and 2023

	2024	2023
Additions		
Employer contributions	$ 131,981,743	$ 117,373,061
Employee contributions	22,484,686	21,664,982
Total contributions	154,466,429	139,038,043
Investment income		
Net appreciation		
in fair value of investments	127,823,336	150,326,862
Interest	9,467,475	9,823,665
Dividend income	14,819,643	14,299,080
Total investment income	152,110,454	174,449,607
Less investment expenses	(4,948,436)	(4,583,684)
Net investment income	147,162,018	169,865,923
Securities lending income		
Earnings	705,000	714,108
Less broker rebates	(501,815)	(586,842)
Less bank fees	(46,825)	(26,219)
Net securities lending income	156,360	101,047
Other	1,179	2,260
Total additions	301,785,986	309,007,273
Deductions		
Annuities and benefits		
Employee annuitants	165,223,328	161,617,849
Surviving spouse annuitants	33,346,759	32,593,089
Child annuitants	104,000	110,500
Ordinary disability benefits	1,112,195	840,126
Duty disability benefits	107,312	85,074
Total annuities and benefits	199,893,594	195,246,638
Refunds of employee contributions	1,806,004	1,882,834
Administrative expenses	2,655,833	2,954,114
Total deductions	204,355,431	200,083,586
Net increase	97,430,555	108,923,687
Net position restricted for pension benefits		
Beginning of year	1,546,579,883	1,437,656,196
End of year	$ 1,644,010,438	$ 1,546,579,883

Metropolitan Water Reclamation District Retirement Fund
Notes to Financial Statements
December 31, 2024 and 2023

Note 1. Summary of Significant Accounting Policies

Metropolitan Water Reclamation District Retirement Fund (the Fund) is administered in accordance with Chapter 40 of the Illinois Compiled Statutes Act 5, Article 1, 13 and 20.

Financial Reporting Entity - Accounting principles generally accepted in the United States of America define a financial reporting entity as consisting of the primary government and its component units for which the primary government is financially accountable. Financial accountability includes appointing a voting majority of a component unit's governing board, the ability of a primary government to impose its will on the component unit, or a potential for a component unit to provide specific financial benefits to or impose specific financial burdens on the primary government. The Fund has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Fund's financial statements.

The Fund is considered a fiduciary fund of the Metropolitan Water Reclamation District of Greater Chicago (the District) and is included in the District's financial statements.

Method of Accounting - The financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized as income pursuant to legal requirements as specified in the Illinois Compiled Statutes. Fund member (employee) contributions are recognized as additions in the period in which the contributions are due. Benefits and administrative expenditures are recognized when due and payable in accordance with the terms of the Fund.

Investments - The Fund reports investments at fair value, which generally represents reported market value as of the last business day of the year. The fair value of a financial instrument is the amount that would be received to sell that asset or paid to transfer that liability (exit price) in an orderly transaction between market participants at the measurement date.

Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through May 9, 2025, which is the date the financial statements were available to be issued.

Note 2. Fund Description

The Fund is a single employer defined benefit fund, established by the Illinois State Legislature in 1931 to provide retirement annuities, death and disability benefits for certain employees of the District as well as Fund employees. The Fund is administered in accordance with 40 ILCS 5 of the Illinois Compiled Statutes.

The Board of Trustees is composed of a seven-member board, which consists of four member-elected employee Trustees, and three appointed Trustees, one of which is a retiree. State law authorizes the Board to make investments, pay benefits, hire staff and consultants and perform all necessary functions to carry out the provisions of the Illinois Compiled Statutes. The provisions of the Fund, including the defined benefits and the employer and employee contribution levels are established by those statutes and may be amended or terminated only by the Illinois State Legislature.

Membership

At December 31, 2024 and 2023, the Fund's membership consisted of:

	2024	2023
Active employees	1,799	1,771
Retirees and beneficiaries currently receiving benefits		
Retirees	1,897	1,920
Surviving spouses	538	549
Children	19	16
Total retirees and beneficiaries	2,454	2,485
Inactive employees entitled to benefits or a refund of contributions	152	128
Total members	4,405	4,384

The Fund's active membership includes District employees, participating District Commissioners, and Retirement Fund staff and is referred to as "employees" in the financial statements and notes.

Note 2. Fund Description

Funding

Funding to meet the annuity and benefit obligations of the Fund is expected to come from employee contributions, employer contributions by the District and income earned on the Fund's investments.

Tier I employees (hired prior to January 1, 2011) are required to contribute 12% of their salary to the Fund since 2015; this contribution rate will remain in effect until such time as the Fund reaches a funding level of 100%. Tier II employees (hired on or after January 1, 2011) are required to contribute 9%. Contributions are collected as a payroll withholding. Employees made contributions of $22,484,686 and $21,664,982 for the years ended December 31, 2024 and 2023 respectively.

State statutes (40 ILCS 5/13-503) dictate that the District shall annually contribute a sum that

(i) will be sufficient to meet the Fund's actuarially determined contribution requirement, but

(ii) shall not exceed an amount equal to the total employee contributions 2 years prior to the year for which the tax is levied, multiplied by 4.19 (the tax multiple). The actuarially determined contribution requirement is equal to the employer's normal cost plus the annual amount needed to amortize the unfunded liability by the year 2050 as a level percent of payroll. The funding goal is to attain a funded ratio of at least 100% by the year 2050, with the funded ratio being the ratio of the actuarial value of assets to the total actuarial liability.

Per the statutes, the tax shall be levied and collected in the same manner as the general taxes of the District.

The tax rate is based on an actuarially determined rate recommended by an independent actuary subject to the statute noted above. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by the Fund participants during the year, with an additional amount to finance any net pension liability. For the years ended December 31, 2024 and 2023, the District's contribution was 61.45% and 57.43% of covered payroll, respectively.

Note 2. Fund Description (continued)

Retirement Eligibility and Benefits

The following describe and reflect Fund provisions as described in Article 1 and 13 of the Illinois Pension Code.

Normal Retirement

An employee whose duties include service of 120 days or more per year and has at least 5 years of service at age 60 is eligible to receive an undiscounted retirement benefit (if hired before January 1, 2011). An employee with at least 10 years of service at age 67 is eligible to receive an undiscounted retirement benefit (if hired on or after January 1, 2011).

The normal retirement benefit is 2.2% of the final average salary for each of the first 20 years of service and 2.4% for each year of service in excess of 20 years. The benefit shall not exceed 80% of final average salary.

Early Retirement

An employee hired before January 1, 2011 who attains age 55 (50 if hired on or before June 13, 1997) with at least 10 years of service is entitled to receive a minimum retirement benefit. An employee hired on or after January 1, 2011 who attains age 62 with at least 10 years of service is entitled to receive a minimum retirement benefit.

If the employee retires prior to the attainment of age 60, the normal retirement benefit computed shall be reduced by 0.5% for each full month the member is less than age 60 or service is less than 30 years whichever is less (if hired before January 1, 2011). If hired on or after January 1, 2011, the normal retirement benefit is reduced by 0.5% for each full month the member is less than age 67. There is no discount if the employee has 30 years of service.

Alternate Provision for Commissioners

Any participant Commissioner may elect to establish alternate credits for an alternative annuity. An additional contribution of 3% of salary is required for participation. In lieu of the normal retirement benefits any Commissioner who has elected to participate, has attained age 55 and has 6 years of service is eligible for an enhanced benefit formula.

Note 2. Fund Description (continued)

Retirement Eligibility and Benefits (continued)

Surviving Spouse Annuity

Upon an employee’s death an annuity will be payable to the eligible surviving spouse. If an employee was hired before June 13, 1997, a spouse is immediately eligible for a surviving spouse annuity if married on the date of an employee’s death, or if married on the employee’s date of retirement and remained married until retiree’s death. Dissolution of a marriage after retirement shall not divest the spouse of entitlement if the marriage was in effect for at least 10 years on the date of retirement.

If an employee was hired on or after June 13, 1997, a spouse is eligible for a surviving spouse annuity after 3 years of member’s service, with the same conditions for marriage as described for members hired prior to June 13, 1997.

If an employee was hired before January 1, 2011, the surviving spouse annuity is equal to 60% of the employee’s retirement benefit at the time of death, plus 1% for each year of total service, to a maximum of 85%. If hired on or after January 1, 2011, an eligible surviving spouse will be entitled to an annuity equal to 66 2/3% of the employee’s retirement benefit at time of death.

Under certain conditions, an age discount applies to the surviving spouse annuity if the employee was hired after January 1, 1992 for employees in service before January 1, 2011.

Children’s Annuity

Each unmarried child, until the attainment of age 18 (23 if full-time student), of a member that dies in service or of a former employee that dies with at least 10 years of service, is eligible for a monthly annuity of $500 per month (if one parent is living) and $1,000 per month (if neither parent is living) to a maximum total benefit of $5,000 per month for all children of the employee.

Refunds

Upon withdrawal from service an employee hired before January 1, 2011, under age 55 (50 if hired on or before June 13, 1997), or age 55 (50 if hired on or before June 13, 1997) and less than age 60 with less than 20 years of service, or age 60 or over with less than 5 years of service, is eligible for a refund of accumulated employee contributions without interest upon request.

An employee hired on or after January 1, 2011, is eligible for a refund of accumulated employee contributions without interest if under age 62 regardless of service, or if less than 10 years of service regardless of age on withdrawal.

Upon receipt of a refund, the member forfeits rights to benefits from the Fund. Refund repayment provisions may apply in certain cases.

Note 2. Fund Description (continued)

Retirement Eligibility and Benefits (continued)

Disability Benefits

Duty Disability

An employee incurring injury or illness arising out of employment with the District and compensable under the Workers Compensation Act or the Occupational Disease Act may apply for duty disability benefits administered by the Fund. Duty disability benefits are 75% of the salary earned on the date of disability, less the amount paid by Worker's Compensation. The benefit is 50% of salary if disability resulted from a physical defect or disease that existed at the time injury was sustained. Benefits are payable during the period of disablement, but not beyond attainment of age 65. If the disability occurs at age 60 or older, benefits are payable for a maximum of 5 years.

Ordinary Disability

An employee who becomes disabled due to any cause other than illness or injury incurred in the performance of duty may apply for ordinary disability benefits administered by the Fund. Ordinary disability benefits provide 50% of employee's earnable salary at the date of disability, for a maximum period of the lesser of 25% of the employee's actual service prior to disablement or 5 years.

Note 3. Pension Liability of the District

Net Pension Liability

The components of the net pension liability of the District as of December 31, 2024 and 2023, are as follows:

	2024	2023
Total pension liability	$ 3,010,988,172	$ 2,979,019,166
Fund fiduciary net position	1,644,010,438	1,546,579,883
District's net pension liability	$ 1,366,977,734	$ 1,432,439,283
Fund fiduciary net position as a percentage of the total pension liability	54.60%	51.92%

See the schedule of changes in the District's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Note 3. Pension Liability of the District (continued)

Actuarial Assumptions

The net pension liabilities were determined by an actuarial valuations performed as of December 31, 2024 and 2023 using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2024 and 2023
Actuarial cost method	Entry age normal
Asset valuation method	Five Year Smoothing Method
Actuarial assumptions:	
Inflation	2.5%
Salary increases	Varies by service
Investment rate of return	7.00%
Postretirement annuity increases	Tier 1 participants - 3.00%
	Tier 2 participants - 1.25%

Mortality Rates	Active lives - PubG-2010 (amount-weighted) Employee mortality, unadjusted, projected to 2023 with MP-2021. Inactive lives - PubG-2010 (amount-weighted) Healthy Retiree mortality, adjusted by a factor of 1.067 for male retirees and 1.061 for female retirees, projected to 2023 with MP-2021. Beneficiaries - PubG-2010 (amount-weighted) Survivor mortality, adjusted by a factor of 0.973 for male beneficiaries and adjusted by a factor of 1.075 for female beneficiaries, projected to 2023 with MP-2021. Disabled lives - PubS-2010 Disabled mortality, unadjusted with no mortality improvements.

The actuarial assumptions used in the December 31, 2024 and 2023 valuations were based on the results of an actuarial experience study conducted by Foster & Foster, Inc. for the period of December 31, 2017 through December 31, 2022 and were adopted effective December 31, 2023.

Note 3. Pension Liability of the District (continued)

Discount Rate

A discount rate of 7.00% was used to measure the total pension liability at December 31, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current Fund members. Therefore, the long-term expected rate of return on pension Fund investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following is a sensitivity analysis of the net pension liability to changes in the discount rate at December 31, 2024 and 2023. The table below presents the pension liability of the District calculated using the current discount rate as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's net pension liability - December 31, 2024	$ 1,697,016,462	$ 1,366,977,734	$ 1,087,755,669

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's net pension liability - December 31, 2023	$ 1,762,105,712	$ 1,432,439,283	$ 1,153,875,508

Note 4. Deposits with Financial Institutions

Custodial Credit Risk

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund does not have a formal policy for custodial credit risk. The Fund's deposits consist of monies held checking and money market accounts. The Fund places its cash with financial institutions deemed to be creditworthy. Balances are insured by FDIC up to $250,000 per financial institution. As of December 31, 2024 and 2023, the Fund had approximately $0 and $66,000 of uninsured, uncollateralized deposits with financial institutions, respectively.

Note 5. Investments

Investment Policy

The Illinois Statutes prescribe the "prudent person rule" as the Fund's investment authority, effective August 31, 2007. This rule requires the Fund to make investments with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an entity of like character with like aims. Within the "prudent person" framework, the Board of Trustees adopts investment guidelines for the Fund's investment managers which are included within their respective Investment Management Agreements. The Fund's adopted asset allocation policy is 38% domestic equities, 17% international equities, 5% global equities, 25% fixed income, 10% core open-end real estate and 5% private credit.

Long-Term Expected Rate of Return

The long-term expected rate of return on Fund investments (i.e. the actuarial assumed investment rate of return of 7.00%) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Fund investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024, as reported by the Fund's investment consultant, are summarized in the following table.

Note 5. Investments (continued)

Long-Term Expected Rate of Return (continued)

Asset Class	Target Allocation %	Long-term Expected Real Rate of Return
Domestic equity	38.0%	5.00%
International equity	17.0%	5.10%
Global equity	5.0%	4.80%
Fixed income	25.0%	2.60%
Real estate	10.0%	3.90%
Private credit	5.0%	7.10%
Total investments	100.0%	

Annual Money-Weighted Rate of Return

The annual money-weighted rate of return on Fund investments, net of Fund investment expense, was 10.19% and 12.63% for the years ended December 31, 2024 and 2023 respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Risk

Generally accepted accounting principles specify the disclosure requirements for deposits that are not covered by depository insurance and investment securities that are uninsured and are not registered in the name of the government or a trust agent. By statute, all investments are held in the name of the Metropolitan Water Reclamation District Retirement Fund. The current economic environment has increased the degree of uncertainty

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

As of December 31, 2024 and 2023, the Fund had minimal exposure to custodial credit risk since all investments were insured, registered, and/or held in the Fund’s name.

Concentration of Investment Risk

No investments that represent 5% or more of the Fund’s net position restricted for pension benefits were identified for either of the years ended December 31, 2024 and 2023.

Note 5. Investments (continued)

Investment Risk (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. One strategy to manage exposure to interest rate risk is to purchase a combination of short-term and long-term investments, while considering cash flow needs of the Fund. The Fund does not maintain an investment policy relative to interest rate risk. However, the Board of Trustees recognizes that its investments are subject to short-term volatility and their goal is to maximize total return within prudent risk parameters.

The following table presents a summarization of the Fund's debt investments as of December 31, 2024 and 2023, using the segmented time distribution method:

		2024		2023	
Type of Investment	Maturity	Fair Value	Percentage	Fair Value	Percentage
U.S. Government and government agency	< 1 year	$ 642,941	0.5%	$ -	0.0%
obligations	1 - 5 years	14,284,853	11.4%	10,510,855	8.7%
	5 - 10 years	28,324,042	22.6%	22,340,261	18.4%
	Over 10 years	82,158,092	65.5%	88,252,925	72.9%
		$ 125,409,928	100.0%	$ 121,104,041	100.0%
Corporate and foreign government obligations	< 1 year	$ 1,698,384	1.7%	$ 816,665	0.8%
	1 - 5 years	21,396,159	21.4%	22,824,255	22.7%
	5 - 10 years	22,704,380	22.7%	29,777,745	29.5%
	Over 10 years	54,203,019	54.2%	47,396,717	47.0%
		$ 100,001,942	100.0%	$ 100,815,382	100.0%
Pooled funds - fixed income	5-10 years	$ 163,536,256	100.0%	$ 159,867,462	100.0%
Short-term investment fund	< 1 year	$ 29,693,212	100.0%	$ 34,423,135	100.0%

Note 5. Investments (continued)

Investment Risk (continued)

Credit Risks

Credit risk is defined as the risk that the issuer of a debt security will not pay its par value upon maturity. The Illinois Statutes prescribe the “prudent person rule” as the Fund’s investment authority and within the “prudent person” framework, the Board of Trustees adopts investment guidelines that consider credit risk for the Fund’s investment managers which are included within their respective investment Management Agreements.

Quality ratings are as provided by Standard & Poor’s. For the pooled funds - fixed income investments an average credit quality rating is provided by Bank of America and Bloomberg Barclays. The following table presents a summarization of the credit quality ratings of the holdings within the investments as of December 31, 2024 and 2023:

		2024		2023	
Type of Investment	Rating	Fair Value	Percentage	Fair Value	Percentage
U.S. Government and government agency obligations	AA	$ 125,409,928	100.0%	$ 121,104,041	100.0%
Corporate and foreign government obligations	AAA	$ 5,530,868	5.5%	$ 7,071,420	7.0%
	AA	16,058,283	16.1%	17,199,194	17.1%
	A	19,662,283	19.7%	22,829,387	22.6%
	BBB	34,811,783	34.8%	30,454,607	30.2%
	BB	4,236,645	4.2%	4,527,465	4.5%
	B	1,270,875	1.3%	2,313,121	2.3%
	CCC	-	0.0%	536,734	0.5%
	Not Rated	18,431,205	18.4%	15,883,454	15.8%
		$ 100,001,942	100.0%	$ 100,815,382	100.0%
Pooled funds - fixed income	AA	$ 163,536,256	100.0%	$ 159,867,462	100.0%
Short-term investment fund	Not Rated	$ 29,693,212	100.0%	$ 34,423,135	100.0%

Note 5. Investments (continued)

Investment Risk (continued)

Foreign Currency Risk

Foreign currency risk is the risk of loss arising from changes in currency exchange rates. All foreign currency-denominated investments held by the Fund are in equities and foreign cash. The Fund's exposure to foreign currency risk as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Type of Investment	Fair Value	Percentage	Fair Value	Percentage
Equities				
Australian dollar	$ 2,175,049	0.5%	$ 2,613,449	0.6%
Brazilian real	2,627,059	0.6%	1,068,260	0.2%
British pound sterling	29,004,840	6.4%	24,699,062	5.7%
Canadian dollar	13,208,565	2.9%	12,875,267	3.0%
Danish krone	1,024,088	0.2%	365,583	0.1%
European euro	43,717,656	9.7%	43,578,077	10.0%
Hong Kong dollar	6,456,806	1.4%	4,780,406	1.1%
Indonesian rupiah	966,094	0.2%	1,160,434	0.3%
Israeli shekel	280,380	0.1%	470,772	0.1%
Japanese yen	28,662,868	6.3%	30,695,669	7.1%
Malaysian ringgit	1,121,446	0.2%	1,561,876	0.3%
Mexican peso	1,849,851	0.4%	2,893,294	0.7%
New Taiwan dollar	6,678,235	1.5%	5,130,180	1.2%
New Zealand dollar	-	0.0%	19,586	0.1%
Norwegian krone	3,469,822	0.8%	4,336,907	1.0%
Philippines peso	1,180,758	0.3%	1,185,822	0.3%
Polish zloty	1,553,926	0.3%	1,823,856	0.4%
Singapore dollar	7,036,389	1.6%	5,362,439	1.2%
South African rand	674,810	0.1%	-	0.0%
South Korean won	4,434,611	1.0%	4,121,085	0.9%
Swedish krona	1,410,229	0.3%	4,396,052	1.0%
Swiss franc	8,740,831	1.9%	7,473,672	1.7%
Thailand baht	1,311,242	0.3%	849,569	0.2%
U.S. dollar	285,244,419	63.0%	272,369,670	62.8%
Total equities	$ 452,829,974	100.0%	$ 433,830,987	100.0%

Note 5. Investments (continued)

Investment Risk (continued)

Foreign Currency Risk (continued)

Type of Investment	2024 Fair Value	2024 Percentage	2023 Fair Value	2023 Percentage
Short-term investment fund				
Australian dollar	$ 118,224	0.4%	$ 125,712	0.4%
Brazilian real	8,956	0.0%	33,975	0.1%
British pound sterling	121,727	0.4%	109,062	0.3%
Canadian dollar	24,936	0.1%	23,869	0.1%
Danish krone	61,201	0.2%	189,866	0.6%
European euro	159,800	0.5%	177,906	0.5%
Hong Kong dollar	87,344	0.3%	69,827	0.2%
Israeli shekel	21,910	0.1%	22,472	0.1%
Japanese yen	432,500	1.5%	518,076	1.5%
New Zealand dollar	149,870	0.5%	166,651	0.5%
Norwegian krone	219,596	0.7%	247,677	0.7%
Philippines peso	1,684	0.0%	2,392	0.0%
Singapore dollar	87,770	0.3%	73,393	0.2%
Swedish krona	230,555	0.8%	253,807	0.7%
Swiss franc	13,828	0.1%	10,464	0.1%
U.S. dollar	27,953,311	94.1%	32,397,986	94.0%
Total short-term investment fund	$ 29,693,212	100.0%	$ 34,423,135	100.0%

Note 6. Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application*, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Basis of Fair Value Measurement

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly
Level 3	Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

Note 6. Fair Value Measurements (continued)

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Fund's investment assets at fair value as of December 31, 2024 and 2023. As required, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. In accordance with generally accepted accounting principles, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the following tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

The Fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Fund has the following recurring fair value measurements as of December 31, 2024 and 2023.

		Fair Value Measurements at 12/31/24 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equities	$ 452,829,974	$ 452,829,974	$ -	$ -
U.S. Government and government agency obligations	125,409,928	58,219,966	67,189,962	-
Corporate and foreign government obligations	100,001,942	-	100,001,942	-
Mutual and exchange traded funds	45,670,811	45,670,811	-	-
Total investments by fair value level	723,912,655	$ 556,720,751	$ 167,191,904	$ -
Investments measured at net asset value	829,334,732			
Total investments at fair value	$1,553,247,387			

Note 6. Fair Value Measurements (continued)

		Fair Value Measurements at 12/31/23 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Equities	$ 433,830,987	$ 433,830,987	$ -	$ -
U.S. Government and government agency obligations	121,104,041	50,619,130	70,484,911	-
Corporate and foreign government obligations	100,815,382	-	100,815,382	-
Mutual and exchange traded funds	52,927,158	52,927,158	-	-
Total investments by fair value level	708,677,568	$ 537,377,275	$ 171,300,293	$ -
Investments measured at net asset value	748,674,091			
Total investments at fair value	$1,457,351,659			

Level 1 Measurements

Equities, mutual and exchanged traded funds, and U.S. Treasury securities are traded in active markets on national and international securities exchanges and are valued at closing prices on the last business day of the period presented.

Level 2 Measurements

U.S. Government and government agency obligations and corporate and foreign government obligations are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that include inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker to dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the investment manager’s best estimates.

Note 6. Fair Value Measurements (continued)

The valuation methods for investments measured at net asset value (NAV) are presented on the following table:

	Fair Value 12/31/2024	Fair Value 12/31/2023	Unfunded Commitments	Redemption Frequency (If Eligible)	Redemption Notice Period
Investments measured at net asset value:					
Pooled funds - equity (1)					
Earnest Partners China Fund	$ 4,118,748	$ 3,827,912	$ -	Daily	N/A
SSGA S&P 500 Flagship Fund	241,199,022	222,152,221	-	Daily	N/A
SSGA S&P 400 Midcap Index Fund	67,200,621	58,990,846	-	Daily	N/A
SSGA MSCI ACWI Fund	61,611,493	55,225,398	-	Daily	N/A
SSGA Russell 1000 Growth Index Fund	83,826,789	78,175,503	-	Daily	N/A
Pooled funds - fixed income (2)					
SSGA U.S. Aggregate Bond Index	163,536,256	159,867,462	-	Daily	N/A
Real estate funds (3)					
Trumbull Property Fund	39,090,832	43,168,304	-	Quarterly	60 days
RREEF America REIT II	77,253,689	77,561,595	-	Quarterly	45 days
Limited Partnership (4)					
Brightwood Capital Fund V, LP	26,063,569	15,281,715	10,500,000	Closed-end	N/A
Partners Group Private Credit Strategy B	35,740,501	-	-	Discretionary	N/A
Short-term investment fund (5)					
BNY Mellon EB Temporary Investment Fund	29,693,212	34,423,135	-	Daily	N/A
Total investments measured at net asset value	$ 829,334,732	$ 748,674,091			

(1) Pooled funds - equity - The investment objective of these investments is to track the performance of the S&P 500, S&P 400 MidCap, MSCI ACWI ex and Russell 1000 Growth USA indexes over the long term. The fair value of the investments in these funds has been determined using the NAV per share of the investments.

(2) Pooled funds - fixed income - The investment objective of the U.S. Aggregate Bond Index is to track the performance of the Barclays U.S. Aggregate Bond Index over the long term. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

(3) Real estate funds - The Trumbull Property Fund’s investment objective is to actively manage a core portfolio of primarily equity real estate investments located in the United States. The RREEF America REIT II’s investment objective is to generate attractive, predictable investment returns from a target portfolio of low-risk equity investments in income-producing real estate while maximizing the total return. The fair value of the investments in these funds has been determined by periodic investment manager appraisals which determine the NAV of the investment.

Note 6. Fair Value Measurements (continued)

(4) Limited partnerships - The investment objective of the Brightwood Capital Fund V, LP is to achieve long-term capital appreciation, preserve capital, and achieve a consistent pattern of returns through investments in loans, notes and other debt instruments, total return swaps and other derivative instruments, participation interests, warrants, equity securities including common stock, preferred stock, direct equity investments, and structured equity products. The limited partnership investment is closed-end where the partnership interest is generally illiquid and cannot be redeemed. It is expected that the liquidation of the limited partnership interest will generally coincide with the terms of the partnership agreement. The expiration date is April 30, 2028, but may be extended for an additional one-year period as set forth in the terms of the partnership agreement. The fair value of the investment in the fund has been determined using the NAV per share of the investment. The investment objective of the Partners Group Private Credit Strategy Fund is to generate attractive risk-adjusted returns and current income by investing in a diversified portfolio of primarily senior secured loans. An investment in the Fund is not a liquid investment. No investors will have the right to require the Fund to repurchase its investment. The Fund from time to time may offer to repurchase an investment at the net asset value on the repurchase date. Units are offered for purchase as of the first business day of each calendar month, except that Units may be offered more or less frequently as determined by the Adviser. The Adviser may also suspend or terminate offerings of Units at any time. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

(5) Short-term investment - This investment’s objective is to invest in short-term investments of high quality and low risk to protect capital while achieving investment returns. The fair value of the investments in these funds has been determined using the NAV per share of the investments.

Note 7. Derivatives

The Fund’s investment managers may use forward foreign currency exchange contracts to manage portfolio risk and to facilitate international portfolio trading.

A derivative security is a financial contract whose value is based on, or “derived” from, a traditional security, an asset, or a market index. Derivative instruments include forward contracts as part of the Fund’s portfolio. Derivative instruments are valued using pricing models based on the prevailing forward exchange rate of the underlying currencies taking into account the counterparties’ creditworthiness.

Note 7. Derivatives (continued)

Derivative transactions involve, to varying degrees, credit risk, interest rate risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to the previously agreed upon terms. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become costlier to settle. Due to the purpose and short-term nature of the forward currency contracts these risks are considered to be minimal.

Forward contracts are used to hedge against fluctuations in foreign currency-denominated assets used primarily in portfolio trade settlements. These contracts are a cash contract in which a seller agrees to deliver a specific cash commodity to a buyer sometime in the future. Forward agreements are subject to the creditworthiness of the counterparties, which are principally large financial institutions. Forward currency contracts are reported at fair value in due to broker and due from broker on the statement of fiduciary net position. The gain or loss on forward currency contracts is recognized and recorded on the statement of changes in fiduciary net position as part of investment income. The forward currency contracts are short term in nature, typically ranging from one month to three months.

The deferred outflows of resources and deferred inflows of resources of the hedging derivatives are immaterial and not included in these financial statements.

As of December 31, 2024 and 2023, the Fund's assets and liabilities included the following forward foreign currency exchange contract balances which are included in due from broker and due to broker:

	2024	2023
Forward Foreign Currency Exchange Contract receivables	$ 96,808	$ 123,097
Forward Foreign Currency Exchange Contract payables	$ 97,058	$ 123,290

Note 8. Securities Lending

State Statutes and the Fund's Investment Policy permit the Fund to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Bank of New York Mellon, the Fund's custodian, requires collateral in the form of cash, U.S. Government obligations and irrevocable letters of credit or other securities worth at least 102% of the lent securities' market value, and for international securities, collateral worth at least 105%. The contract with the Fund's custodian requires it to indemnify the Fund if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Fund for income distributions by the securities issuers while the securities are out on loan.

Note 8. Securities Lending (continued)

The relationship between the maturities of the investment pool and the Fund's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Fund cannot determine. The Fund cannot pledge or sell collateral securities without borrower default; as such, the collateral security or non-cash collateral is not reported in the financial statements. The average term of securities loaned was 80 days for 2024 and 100 days for 2023; however, all securities loans can be terminated on demand by either the Fund or the borrower. Cash collateral is invested in the lending agent's short-term investment pool, which has a weighted average maturity of 2 days for year ended December 31, 2024 and 2 days for year ended December 31, 2023.

Although the Fund's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrower of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities or the collateral. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower. The contract with the lending agent requires it to indemnify the Fund if borrowers fail to return the securities or fail to pay the Fund for income distributions by the issuers of securities while the securities are on loan.

During both of the years ended December 31, 2024 and 2023, there were no losses due to default of a borrower or the lending agent.

A summary of securities loaned at fair value as of December 31, 2024 and 2023 is as follows:

	2024	2023
Securities loaned - backed by cash collateral		
Equities	$ 12,485,627	$ 7,126,556
U.S. Government and government agency obligations	1,411,829	1,439,884
Corporate obligations	1,589,156	2,504,953
Total securities loaned - backed by cash collateral	15,486,612	11,071,393
Securities loaned - backed by non-cash collateral		
Equities	21,223,646	8,192,150
Corporate obligations	426,268	147,500
Total securities loaned - backed by non-cash collateral	21,649,914	8,339,650
Total	$ 37,136,526	$ 19,411,043

Note 8. Securities Lending (continued)

As of December 31, 2024, the fair value (carrying amount) of loaned securities was $37,136,526. The fair value (carrying amount) of cash collateral received by the Fund was $15,939,302 which is included as an asset and a corresponding liability on the accompanying statement of fiduciary net position. The fair value (carrying amount) of noncash collateral received by the Fund was $23,589,786.

As of December 31, 2023, the fair value (carrying amount) of loaned securities was $19,411,043. The fair value (carrying amount) of cash collateral received by the Fund was $11,405,635 which is included as an asset and a corresponding liability on the accompanying statement of fiduciary net position. The fair value (carrying amount) of noncash collateral received by the Fund was $8,739,785.

The Fund also participates in the securities lending programs offered by State Street Global Advisors (SSGA) with regards to their pooled funds. Securities lending income earned by SSGA serves as a credit to quarterly management fees, and any remainder is used for purchasing additional units in the SSGA fixed income pooled fund.

Note 9. Pronouncements Issued but Not Yet Adopted

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Statement No. 102 is effective for the Fund's fiscal year ending December 31, 2025.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. Statement No. 103 is effective for the Fund's fiscal year ending December 31, 2026.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. Statement No. 104 is effective for the Fund's fiscal year ending December 31, 2026.

The Fund's management has not yet determined the effect, if any these Statements will have on the Fund's financial statements.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Changes in the District's Net Pension Liability and Related Ratios
- Schedule of District Contributions and Related Note
- Schedule of Investment Returns

Metropolitan Water Reclamation District Retirement Fund

Required Supplementary Information

Schedule of Changes in the District's Net Pension Liability and Related Ratios

Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension liability										
Service cost	$ 34,667,165	$ 31,559,071	$ 30,851,297	$ 31,574,003	$ 32,591,914	$ 33,039,382	$ 32,212,530	$ 32,370,187	$ 32,057,687	$ 32,228,341
Interest	203,898,557	198,091,275	194,257,871	191,470,085	188,334,503	183,916,142	182,881,416	179,038,283	173,861,700	168,530,178
Differences between expected and actual experience	(4,897,118)	29,540,215	21,414,078	4,491,952	4,553,932	17,732,815	12,157,757	(1,990,761)	13,813,742	14,421,984
Changes of assumptions	-	117,658,965	-	-	-	-	35,593,015	-	-	-
Benefit payments, including refunds of employee contributions	(201,699,598)	(197,129,472)	(191,583,486)	(185,138,748)	(177,287,311)	(169,308,620)	(161,323,522)	(154,713,043)	(147,336,015)	(140,509,756)
Net change in total pension liability	31,969,006	179,720,054	54,939,760	42,397,292	48,193,038	65,379,719	101,521,196	54,704,666	72,397,114	74,670,747
Total pension liability										
Beginning of year	2,979,019,166	2,799,299,112	2,744,359,352	2,701,962,060	2,653,769,022	2,588,389,303	2,486,868,107	2,432,163,441	2,359,766,327	2,285,095,580
End of year	$ 3,010,988,172	$ 2,979,019,166	$ 2,799,299,112	$ 2,744,359,352	$ 2,701,962,060	$ 2,653,769,022	$ 2,588,389,303	$ 2,486,868,107	$ 2,432,163,441	$ 2,359,766,327
Change in fiduciary net position										
Contributions - employer	$ 131,981,743	$ 117,373,061	$ 118,458,646	$ 88,803,958	$ 107,852,191	$ 87,446,476	$ 87,167,339	$ 89,858,224	$ 80,259,713	$ 71,041,361
Contributions - employee	22,484,686	21,664,982	21,177,644	20,630,052	20,982,056	21,182,425	21,032,601	20,839,829	20,830,779	21,385,212
Net investment income (loss)	147,318,378	169,966,970	(232,449,114)	220,776,847	124,099,459	225,158,880	(103,006,062)	194,821,459	113,585,872	(1,427,839)
Benefit payments, including refunds of employee contributions	(201,699,598)	(197,129,472)	(191,583,486)	(185,138,748)	(177,287,311)	(169,308,620)	(161,323,522)	(154,713,043)	(147,336,015)	(140,509,756)
Administrative expense	(2,655,833)	(2,954,114)	(2,134,803)	(1,788,002)	(1,592,783)	(1,642,209)	(1,685,479)	(1,613,976)	(1,502,639)	(1,659,917)
Other	1,179	2,260	7,361	5,213	2,738	3,058	15,415	3,100	107,175	28,817
Net change in fiduciary net position	97,430,555	108,923,687	(286,523,752)	143,289,320	74,056,350	162,840,010	(157,799,708)	149,195,593	65,944,885	(51,142,122)
Net position restricted for pension benefits										
Beginning of year	1,546,579,883	1,437,656,196	1,724,179,948	1,580,890,628	1,506,834,278	1,343,994,268	1,501,793,976	1,352,598,383	1,286,653,498	1,337,795,620
End of year	$ 1,644,010,438	$ 1,546,579,883	$ 1,437,656,196	$ 1,724,179,948	$ 1,580,890,628	$ 1,506,834,278	$ 1,343,994,268	$ 1,501,793,976	$ 1,352,598,383	$ 1,286,653,498
District's net pension liability	$ 1,366,977,734	$ 1,432,439,283	$ 1,361,642,916	$ 1,020,179,404	$ 1,121,071,432	$ 1,146,934,744	$ 1,244,395,035	$ 985,074,131	$ 1,079,565,058	$ 1,073,112,829
Fund fiduciary net position as a percentage of the total pension liability	54.60%	51.92%	51.36%	62.83%	58.51%	56.78%	51.92%	60.39%	55.61%	54.52%
Covered payroll	$ 214,796,059	$ 204,388,113	$ 195,713,509	$ 187,213,026	$ 188,072,970	$ 189,961,010	$ 187,849,708	$ 184,385,188	$ 182,640,163	$ 177,792,309
Employer's net pension liability as a perecentage of covered payroll	636.41%	700.84%	695.73%	544.93%	596.08%	603.77%	662.44%	534.25%	591.09%	603.58%

Metropolitan Water Reclamation District Retirement Fund

Required Supplementary Information

Schedule of District Contributions and Related Note

Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution (ADC)	$ 88,734,000	$ 81,128,393	$ 76,680,499	$ 76,841,344	$ 77,392,414	$ 74,279,999	$ 64,988,583	$ 65,727,912	$ 64,596,066	$ 62,603,576
Contributions in Relation to the ADC	131,981,743	117,373,061	118,458,646	88,803,958	107,852,191	87,446,476	87,167,339	89,858,224	80,259,713	71,041,361
Contribution deficiency (excess)	$ (43,247,743)	$ (36,244,668)	$ (41,778,147)	$ (11,962,614)	$ (30,459,777)	$ (13,166,477)	$ (22,178,756)	$ (24,130,312)	$ (15,663,647)	$ (8,437,785)
Covered payroll	$ 214,796,059	$ 204,388,113	$ 195,713,509	$ 187,213,026	$ 188,072,970	$ 189,961,010	$ 187,849,708	$ 184,385,188	$ 182,640,163	$ 177,792,309
Contributions as a percentage of covered payroll	61.45%	57.43%	60.53%	47.43%	57.35%	46.03%	46.40%	48.73%	43.94%	39.96%

NOTE TO SCHEDULE:

Valuation date:
Actuarially determined contribution rates are calculated as of December 31, one year prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry Age Normal
Amortization method	Level percent of pay, closed.
Remaining amortization period	27 years remaining amortization as of 1/1/24.
Actuarial asset method	Fair value of assets adjusted by the unrecognized investment gains and losses for each of the five years prior to the valuation date. Gains and losses are recognized at a rate of 20% per year. Actuarial assets shall not be less than 80% nor greater than 120% of fair value of assets.
Investment rate of return	7.00% per year compounded annually, net of investment related expenses.
Inflation	2.5% per year
Salary increases	Vary by service.
Payroll growth	2.75% per year
Termination rates	Termination rates vary by years of service and gender.
Retirement rates	Retirement rates are based on the most recent experience analysis and vary by age of member.
Mortality rates	Active lives - PubG-2010 (amount-weighted) Employee mortality, unadjusted, projected to 2023 with MP-2021. Inactive lives - PubG-2010 (amount-weighted) Healthy Retiree mortality, adjusted by a factor of 1.067 for male retirees and 1.061 for female retirees, projected to 2023 with MP-2021. Beneficiaries - PubG-2010 (amount-weighted) Survivor mortality, adjusted by a factor of 0.973 for male beneficiaries and adjusted by a factor of 1.075 for female beneficiaries, projected to 2023 with MP-2021 Disabled lives - PubS-2010 Disabled mortality, unadjusted with no mortality improvements.

Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	10.19%	12.63%	-14.53%	15.10%	8.67%	18.25%	-7.44%	15.62%	9.43%	-0.15%

Supplementary Information

Other supplementary information includes financial information and disclosures that are not required by GASB and are not considered a part of the basic financial statements. Such information includes:

- Schedule of Administrative Expenses
- Schedule of Investment Expenses
- Schedule of Payments to Consultants
- Postemployment Healthcare Disclosure

Metropolitan Water Reclamation District Retirement Fund

Supplementary Information

Schedules of Administrative Expenses

Years Ended December 31, 2024 and 2023

	2024	2023
Salaries and wages		
Regular employees	$ 1,395,283	$ 1,376,592
Employee benefits	220,237	241,597
Professional services		
Payments to consultants - (PAS)	640,761	883,160
Payments to consultants - other	9,139	63,357
Actuarial	50,650	65,300
Legal and lobbyist	66,205	53,009
Audit and state regulatory fees	42,000	42,000
Public stenographer	10,637	8,868
Medical	10,870	10,725
Investigation	2,075	2,072
Printing and publication	1,939	3,551
Postage	6,556	10,081
Office supplies and furniture	4,001	5,171
Travel	7,511	8,877
Maintenance and repair	729	1,630
Membership dues, conference fees, subscriptions and publications	8,193	10,886
Computer hardware and software	131,202	123,998
Insurance	24,054	23,458
Miscellaneous	23,791	19,782
Total administrative expenses	$ 2,655,833	$ 2,954,114

Metropolitan Water Reclamation District Retirement Fund

Supplementary Information

Years ended December 31, 2024 and 2023

Schedule of Investment Expenses

	2024	2023
Investment manager fees	$ 4,498,835	$ 4,129,845
Custodian fees	269,601	273,839
Investment consulting fees	180,000	180,000
Investment expenses	$ 4,948,436	$ 4,583,684

Schedule of Payments to Consultants

Firm / Individual	Services	2024	2023
Consulting - New Pension Administration System			
Provaliant	Procurement and RFP development	$ 108,000	$ 108,900
Levi, Ray & Shoup, Inc.	Development	457,102	609,469
Managed Business Solutions LLC	Data management	75,659	164,791
Total consulting - New Pension Administration System		640,761	883,160
Consulting - other			
Konica Minolta	Security audit	-	25,200
Novitas Business & Technology	Maintenance - existing PAS	-	7,393
Genuity	Cloud migration and security	7,920	-
MXO Tech	Microsoft 365 consulting	-	23,232
NTIVA	Systems Admin consulting	-	5,850
Crestwood Associates LLC	Microsoft Dynamics consulting	-	494
HR Boost	Human resources consulting	1,219	1,188
Total consulting - other		9,139	63,357
Total payments to consultants		$ 649,900	$ 946,517

Metropolitan Water Reclamation District Retirement Fund

Supplementary Information

Postemployment Healthcare Disclosure

The Fund does not provide any health insurance supplement. Employee and survivor annuitants who meet the requirements may elect coverage under the insurance programs offered through the Metropolitan Water Reclamation District of Greater Chicago (the District), the former employer of employee annuitants. The District offers these programs to retirees on a year-by-year basis. Retirees are not guaranteed coverage under the District's insurance programs. The Fund withholds the prescribed annuitant portion of the monthly medical premium and forwards it in total to the District, which subsidizes the medical coverage. The District provides full disclosure in its Annual Comprehensive Financial Report.

INVESTMENT SECTION

June 24th, 2025

To the Board of Trustees of the Metropolitan Water Reclamation District Retirement Fund:

The Bank of New York Mellon as custodian of the assets of the Metropolitan Water Reclamation District Retirement Fund (fund) held by it in a custodial account has provided annual accounting statements to the fund which represents The Bank of New York Mellon's record of investments, receipts, disbursements, purchases and sales of securities and other transactions pertinent to the custody accounts for the period of January 1, 2024 through December 31, 2024.

In addition to the custody of assets in the custody accounts, and pursuant to the Master Custody Agreement among the Board of Trustees and The Bank of New York Mellon dated May 2, 2107 and the securities lending contract dated June 27, 2007 the Bank of New York Mellon provides the following services:

- Maintain safe custody of the assets owned by MWRD Retirement Fund.
- Settle trades in accordance with manager instructions.
- Collect dividends and registered interest payments.
- Provide proxy processing and corporate action services.
- Sweep cash balances of manager accounts in end of day sweep vehicle.
- Provide MWRD with monthly and annual audited investment accounting statements.
- Provide Periodic reports summarizing the investment activity of the Fund's assets.
- Administer a securities lending program for MWRD Retirement Fund's assets and invest cash collateral received from such loans.

Sincerely,

Charlie DeFrancesco
Account Manager
617-382-9148

MarquetteAssociates

June 25, 2025

Board of Trustees
Metropolitan Water Reclamation District Retirement Fund
100 East Erie Street
Chicago, IL 60611

To the Board of Trustees:

Marquette Associates ("Marquette") is the independent investment consultant for the Metropolitan Water Reclamation District Retirement Fund ("MWRDRF"). Marquette is responsible for the implementation of the MWRDRF's asset allocation, trustee education, the selection and monitoring of investment managers as well as investment performance analysis. Marquette follows the CFA® Institute's Performance Presentation Standards for calculating and reporting performance returns.

As of January 2025, the assumed actuarial rate for the MWRDRF is 7.00%. In 2024, the MWRDRF returned +10.2% net of fees. Over the same period, the Policy Index returned +9.2%.

Inflation proved to be stickier than expected and remained a top concern through 2024. Wage growth, a key measure for gauging inflation pressures, rose 3.9% on a year-over-year basis in December, in line with expectations. The first half of 2024 saw U.S. economic data come in below economists' estimate but the consumer continued to support the economy. Consumer spending is expected to remain robust across goods and services until 2030.

The Aggregate Index returned +1.3% in 2024 as bank loans returned +9.1%, high yield returned +8.2%, and emerging markets debt returned +6.5%. At the end of 2024, the MWRDRF had approximately 25.2% allocated to Fixed Income. The composite returned +1.3% performing in-line with the benchmark.

Value oriented equities led in March, but Growth equities reasserted their dominance in the second quarter. Market concentration remained a dominant theme to end the year. The top 10 S&P 500 positions fueled 60% of the 2024 return for the benchmark; less than 30% of stocks bested the index return last year. Signs of market breadth quickly reverted in December, as the Fed signaled potentially fewer cuts in 2025 amid policy and economic uncertainty.

The MWRDRF ended 2024 with approximately 39.3% allocated to domestic equities. The domestic equity composite returned +20.5% versus the benchmark which returned +18.6%.

Emerging Markets led the international space in 2Q and 3Q of 2024. Despite the major global equity indices ending the fourth quarter in the red, they were positive in 2024, with the MSCI ACWI leading the way. Emerging Markets concluded the year with a return of +7.5%, while their Local currency counterparts, returned +13.1%. Highlighting how the U.S. dollar's strength (or the relative depreciation of major non-U.S. currencies) detracted from International benchmark performance.

Emerging markets concluded the year with a return of +7.5%, while their developed markets' counterparts, as measured by the MSCI EAFE Index returned +3.8%. MSCI EAFE in Local Currency terms returned +11.3%.

MarquetteAssociates

To conclude 2024, the MWRDRF had approximately 22.9% allocated to international equities, with 5.5% allocated to Global Low Volatility and the remaining allocated to non-US equities. The non-US equity composite returned +4.7% versus the benchmark which returned +5.5%. The Global Low Volatility composite returned +15.2% with the benchmark returning +11.4%.

In Real Estate, appreciation remained modest as 4Q performance was supported by consistent income gains across sectors. The Real Estate asset class posted positive total returns in two consecutive quarters for the first time in two years. Historically, value adjustments have paved the way for prolonged periods of strong total returns. The Retirement Fund ended 2024 with approximately 7.5% allocated to open-end real estate. The real estate composite returned -1.1% versus the benchmark which returned -2.3%.

In Private Credit, direct lending capped a strong 2024, benefiting from attractive all-in yields and a continued spread premium over liquid credit markets. Private credit has historically provided downside protection during both public credit and equity downturns. The Retirement Fund ended the year with an allocation of 4.0% to Private Credit.

To begin 2025, the current prospect of the U.S. adopting a tariff policy, the hyper focus on company earnings along with stickier inflation increased volatility across markets and concerns regarding the sustainability of continued consumer spending are beginning to emerge. A brief AI-related pullback could not thwart the U.S. equity market, as all major indices advanced in January. Outside of emerging markets small cap, all major global equity indices had a positive start to 2025.

The Retirement Fund's diversification, liquidity and transparency are expected to continue to be helpful to the portfolio as it traverses through market volatility, with the objective of protecting on the downside and capturing subsequent market rebounds.

Sincerely,

Kweku Obed, CFA, CAIA

INVESTMENT PREFACE

INVESTMENT AUTHORITY

The Metropolitan Water Reclamation District Retirement Fund's (Fund) investment authority is established by and subject to the provisions of the Illinois Compiled Statutes, Chapter 40, Act 5, Articles 1 and 13.

The Retirement Fund Board of Trustees (Board) invests the Fund's reserves according to the Prudent Person Rule. This rule requires a Trustee, who is a fiduciary by way of title, to discharge their duties with the care, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in a similar situation.

INVESTMENT RESPONSIBILITY

The duties of the Board include the appointment and review of investment managers as fiduciaries to manage the investment assets of the Fund. The investment managers are granted discretionary authority to manage stated assets and vote all proxies for the Board. The investment managers must discharge their duties with respect to the Fund solely in the interest of the Fund's contributors and beneficiaries.

INVESTMENT POLICY & OBJECTIVES

The Fund's asset allocation strategy is based on a combination of long-term investment return expectations and the Fund's expected cash requirements for payments of benefits and expenses. The investment objective of the total portfolio is to maximize the rate of return within a prudent level of risk.

The Fund is expected to meet or exceed the actuarial return assumption on average over 5-year rolling quarterly periods. For the 2024 actuarial valuation, the actuarial return assumption was 7.0%. The Fund's policy index since August 2023 is as follows:

16%	S&P 500 Index	Domestic Large Cap Core
4%	Russell 1000 Growth Index	Domestic Large Cap Growth
4%	S&P 400 Index	Domestic Mid Cap Core
5%	Russell 2500 Value Index	Domestic SMID Cap Value
9%	Russell 2000 Value Index	Domestic Small Cap Value
9%	MSCI ACWI ex-US Index	International Large Cap Core
5%	S&P Developed Small Cap ex-U.S.	International Small Cap Core
5%	MSCI ACWI Minimum Volatility Index	Global Large Cap Core
3%	MSCI Emerging Markets Index	Emerging Markets Core
25%	Bloomberg Barclays US Aggregate Index	Domestic Fixed Income
10%	NFI-ODCE Index	Domestic Real Estate
5%	Burgiss US Private Debt Index	Private Credit

Individual goals are established for each investment manager and incorporated into the contracts with those managers. The Board hires and reviews investment managers based on an evaluation of their investment philosophy, long-term performance, and ability to complement existing portfolio styles. Investment managers must adhere to their stated investment philosophy and strive to attain their performance goals. The formal investment policy is reviewed annually.

INVESTMENT ALLOCATION

The Investment Policy of the Fund establishes asset allocation targets and ranges for each asset class to achieve risk and return objectives. Fund staff, in collaboration with the Fund's investment consultant, monitors the investment allocation monthly. Rebalancing is normally recommended by the consultant when variances approach 5% over or under the targets. In addition, strategic withdrawals for payment of benefits are used to fine-tune the allocations.

INVESTMENT MANAGEMENT

The Fund's stated investment objective is to maximize the rate of return within a prudent level of risk. During 2024, the Board of Trustees and investment staff, with the assistance of the Fund's investment consultant, Marquette Associates, undertook the following investment activities related to the Fund's stated investment objective:

- In February, the Fund issued an RFP for Investment Consultant services. The search process resulted in the Board entering into an agreement with the incumbent, Marquette Associates, for a five-year period ending May 31, 2029.

- The Fund received a $42.7 million transfer of budgetary reserves from the District in March, which was invested with State Street via three passive mandates and in accordance with the Board's target asset allocation.

- In April, July and October, the Fund received partial redemptions from the UBS Trumbull Property Fund; total redemptions during the year were $2.8 million.

- In June, August and October funded capital calls with Brightwood Capital Advisors totaling $10.5 million. As of December 31, 2024, the Fund had contributed 70% of the $35.0 committed capital. The unfunded commitment was $10.5 million.

- In July, the Fund completed the Private Credit RFP by entering into an agreement with Partners Group. The full commitment of $35.0 million was invested immediately.

- Investment withdrawals for benefit payments during the year totaled $94.5 million.

INVESTMENT PERFORMANCE

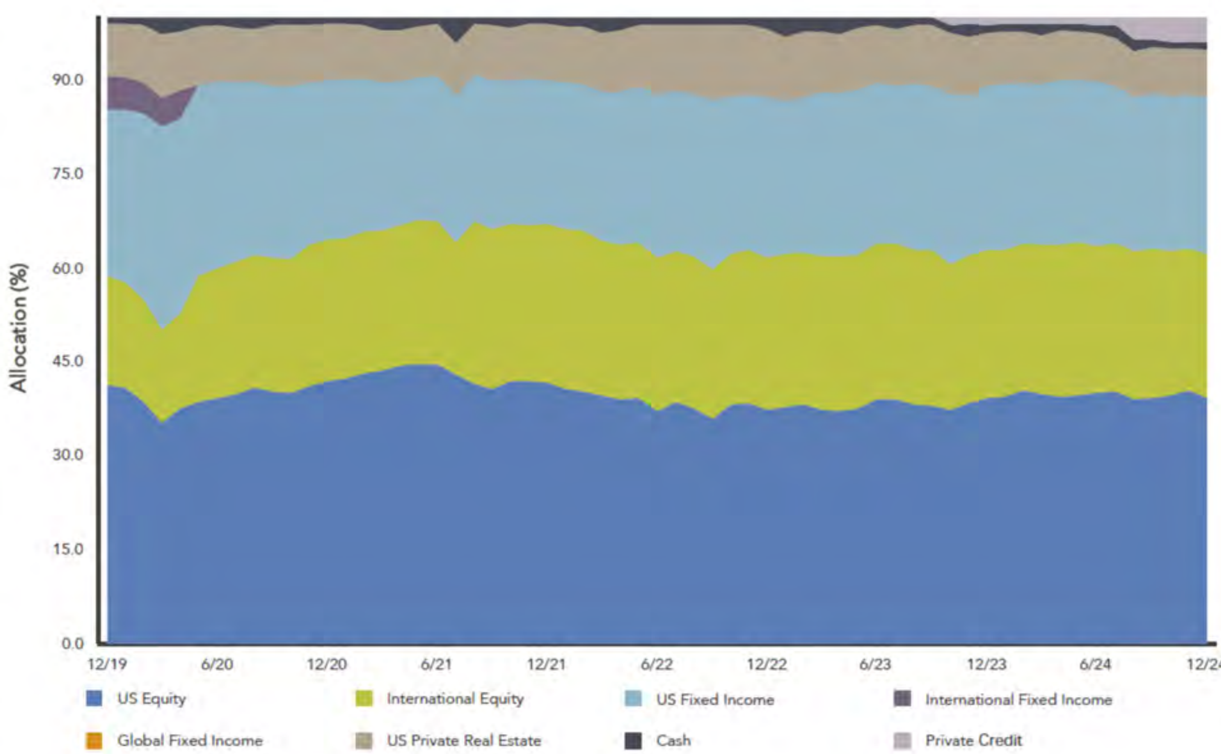
Marquette Associates evaluates investment manager's performance as well as overall performance on a monthly and quarterly basis and presents their reports to the Trustees at the monthly Board meetings. Investment returns are calculated based on a time-weighted rate of return, in compliance with industry accepted reporting standards. Rates of returns are reported net of investment fees. The Fund's investment managers report on performance in compliance with Global Investment Performance Standards. This reporting requirement is also included in the managers' contractual agreements with the Fund.

The time-weighted rate of return on invested assets for the year ending December 31, 2024, was 10.2% net of fees. The Fund's performance over the long term against the actuarial rate of return assumption, the various component indices, and the Policy Index is an important indicator of how well the Fund is accomplishing its investment objectives. The schedules included in this section are from Marquette Associates Q4 2024 performance report or prepared by Fund staff; some trend analysis is included as well.

PORTFOLIO ASSET ALLOCATION
By Manager Type

	December 31, 2024					December 31, 2023				
	Fair Value	Actual		Policy		Fair Value	Actual		Policy	
Fixed Income	$392,538,728	25.2	%	25.0	%	$385,257,345	26.4	%	25.0	%
U.S. Equity	611,488,938	39.3		38.0		573,848,581	39.2		38.0	
Non-U.S. Equity	271,384,397	17.4		17.0		270,899,087	18.6		17.0	
Global Equity	85,025,835	5.5		5.0		73,701,337	5.1		5.0	
Real Assets	116,718,441	7.5		10.0		120,823,953	8.3		10.0	
Privat Credit	61,804,070	4.0		5.0		14,734,126	1.0		5.0	
Cash	17,716,363	1.1		-		19,965,660	1.4		-	
Total Investments	$1,556,676,772	100.0	%	100.0	%	$1,459,230,089	100.0	%	100.0	%

Historical Asset Allocation



Note: Investment balances in the Investment Section of this report refer to balances per Marquette's Q4 2024 Performance Book, unless otherwise noted.

PORTFOLIO PERFORMANCE

	Year ending 12/31/24	3-Year Annualized	5-Year Annualized	10-Year Annualized
Total Fund Composite [1,2]	**10.2%**	**2.2%**	**6.1%**	**6.3%**
Policy Index	*9.1%*	*1.6%*	*5.6%*	*6.2%*
Actuarial Rate 7.0%	*7.0%*	*7.0%*	*7.0%*	*7.0%*
Fixed Income Composite	**1.3%**	**-2.2%**	**0.0%**	**1.6%**
Bloomberg US Aggregate TR	*1.3%*	*-2.4%*	*-0.3%*	*1.3%*
US Equity Composite	**20.6%**	**7.2%**	**12.2%**	**10.5%**
US Equity Custom Benchmark	*18.6%*	*6.2%*	*11.6%*	*10.4%*
Large Cap Core Composite	**25.0%**	**8.9%**	**15.2%**	**13.3%**
S&P 500	*25.0%*	*8.9%*	*14.5%*	*13.1%*
Large Cap Growth Composite	**33.3%**	**10.5%**	**--**	**--**
Russell 1000 Growth	*33.4%*	*10.5%*	*19.0%*	*16.8%*
Mid Cap Composite	**13.9%**	**4.9%**	**9.8%**	**8.5%**
S&P 400 MidCap	*13.9%*	*4.9%*	*10.3%*	*9.7%*
Smid Cap Composite	**15.1%**	**2.4%**	**--**	**--**
Russell 2500 Value	*11.0%*	*3.8%*	*8.4%*	*10.3%*
Small Cap Composite	**13.3%**	**6.2%**	**10.8%**	**9.2%**
Small Cap Benchmark	*8.1%*	*1.9%*	*7.3%*	*7.7%*
Global Low Volatility Composite	**15.2%**	**5.9%**	**--**	**--**
MSCI ACWI Min Volatility Inde	*11.4%*	*2.5%*	*4.7%*	*6.9%*
MSCI World	*19.2%*	*6.9%*	*11.7%*	*10.5%*
Non-US Equity Composite	**4.7%**	**0.3%**	**3.4%**	**5.3%**
MSCI ACWI ex USA	*5.5%*	*0.8%*	*4.1%*	*4.8%*
Real Estate Composite	**-1.1%**	**-3.8%**	**0.9%**	**--**
NFI-ODCE	*-2.3%*	*-3.2%*	*2.0%*	*4.9%*
Private Credit	**12.2%**	**--**	**--**	**--**
Burgiss Global Private Debt	*6.5%*	*6.7%*	*8.3%*	*7.5%*

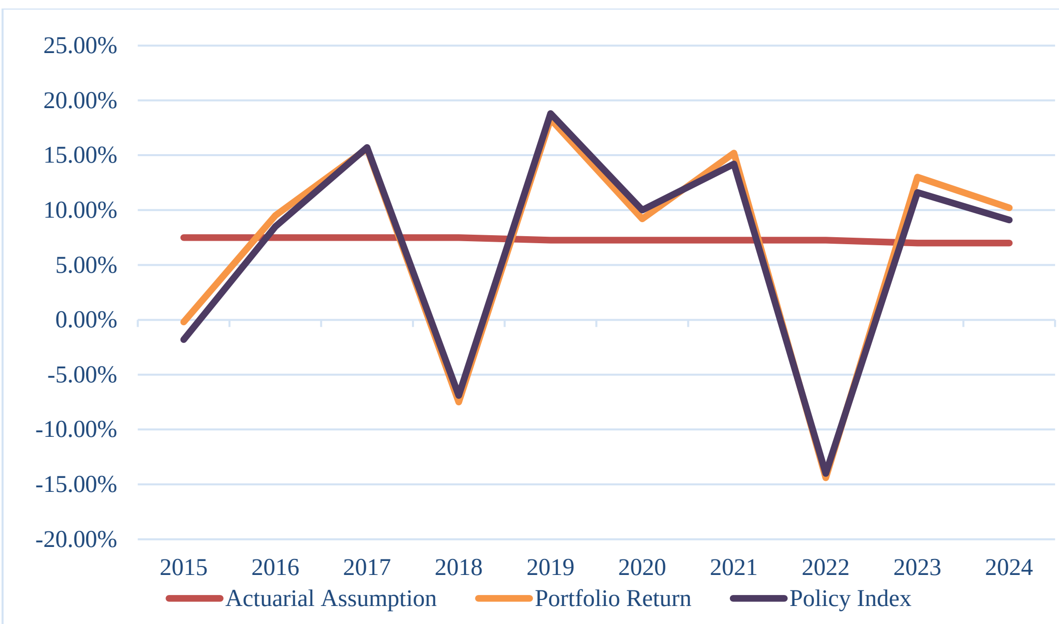
1 See current Policy Index on p.59. Policy Index has been modified over time based on changes to the Fund's asset allocation.

2 Investment returns are reported net of investment fees. The calculation is based on a time-weighted rate of return and is in compliance with industry accepted reporting standards. Quarterly reports of the Fund's Investment Consultant may be obtained upon request.

INVESTMENT RETURNS

Last Ten Years

December 31st	Investment Assets[1]	Actuarial Assumption	Portfolio Return[2]	Policy Index[3]
2015	$ 1,221,831,791	7.50%	-0.2%	-1.8%
2016	1,271,792,170	7.50%	9.5%	8.5%
2017	1,383,772,856	7.50%	15.6%	15.7%
2018	1,242,672,493	7.50%	-7.5%	-6.9%
2019	1,422,895,959	7.25%	18.3%	18.8%
2020	1,498,905,113	7.25%	9.2%	10.0%
2021	1,645,660,326	7.25%	15.2%	14.2%
2022	1,335,858,090	7.25%	-14.4%	-14.0%
2023	1,457,351,659	7.00%	13.0%	11.6%
2024	1,553,247,387	7.00%	10.2%	9.1%



[1] Investment Assets balances shown in this table are from the audited Financial Statements.
[2] Time weighted investment returns are reported net of investment fees.
[3] See current Policy Index in Investment Preface. Policy index has been modified over time based on changes to the Fund's asset allocation.

EQUITY DIVERSIFICATION
as of December 31, 2024

	US Equity		Non-US Equity		Global Equity	
	Fair Value	% of Total	Fair Value	% of Total	Fair Value	% of Total
Communication Services	$ 58,704,710	10.2	$ 15,713,157	5.8	$ 8,455,028	9.9
Consumer Discretionary	72,247,536	12.6	29,689,453	10.9	6,979,813	8.2
Consumer Staples	28,233,350	4.9	18,237,031	6.7	7,980,039	9.4
Energy	14,231,445	2.5	12,999,313	4.8	1,952,120	2.3
Financials	68,345,366	11.9	61,739,950	22.8	13,711,554	16.1
Healthcare	52,679,300	9.2	22,823,428	8.4	11,081,727	13.0
Industrials	41,948,331	7.3	38,509,446	14.2	8,606,602	10.1
Information Technology	207,618,417	36.2	36,691,170	13.5	18,348,264	21.6
Materials	9,468,502	1.7	16,690,140	6.2	1,980,973	2.3
Real Estate	10,214,505	1.8	4,694,950	1.7	1,280,146	1.5
Utilities	10,157,120	1.8	7,598,763	2.8	4,649,569	5.5
Unclassified	-	-	-	-	-	-
Cash	-	-	5,970,457	2.2	-	-
	$ 573,848,581	100.0	$ 271,357,259	100.0	$ 85,025,835	100.0

Note: Fair Value per sector on this schedule is approximate and is calculated based on the Industry Sector distribution percentages applied to the asset class ”market value” balance at 12/31/24, provided by Marquette Associates.

TOP 10 HOLDINGS - EQUITIES
as of December 31, 2024

US EQUITY - Company Name	Industry	Portfolio Weight %
APPLE INC	Information Technology	8.6
NVIDIA CORPORATION	Information Technology	7.5
MICROSOFT CORP	Information Technology	7.3
AMAZON.COM INC	Consumer Discretionary	4.8
META PLATFORMS INC	Telecommunication Services	3.0
TESLA INC	Consumer Discretionary	2.6
ALPHABET INC	Telecommunication Services	2.6
BROADCOM INC	Information Technology	2.5
ALPHABET INC	Telecommunication Services	2.1
ELI LILLY AND CO	Health Care	1.4

NON-US EQUITY - Company Name	Industry	Portfolio Weight %
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	Information Technology	3.0
TENCENT HOLDINGS LTD	Telecommunication Services	1.2
ASML HOLDING NV	Information Technology	1.0
NOVO NORDISK A/S	Health Care	1.0
SAP SE	Information Technology	0.9
NESTLE SA, CHAM UND VEVEY	Consumer Staples	0.8
ROCHE HOLDING AG	Health Care	0.8
TOYOTA MOTOR CORP	Consumer Discretionary	0.7
ASTRAZENECA PLC	Health Care	0.7
SHELL PLC	Energy	0.7

GLOBAL EQUITY - Company Name	Industry	Portfolio Weight %
MICROSOFT CORP	Information Technology	2.9
APPLE INC	Information Technology	2.8
NVIDIA CORPORATION	Information Technology	2.4
ALPHABET INC	Telecommunication Services	2.1
MCKESSON CORP	Health Care	1.9
JPMORGAN CHASE & CO	Financials	1.8
COLGATE-PALMOLIVE CO	Consumer Staples	1.8
JOHNSON & JOHNSON	Health Care	1.7
DBS GROUP HOLDINGS LTD	Financials	1.7
ROCHE HOLDING AG	Health Care	1.5

Note: A complete list of portfolio holdings is available upon request of Fund management.

FIXED INCOME DIVERSIFICATION
as of December 31, 2024

Sector	Fair Value[1]	% of Total
U.S Treasuries/Agency	$ 132,678,090	31.7
Corporate	89,891,369	24.1
Mortgage-Backed	120,901,928	32.6
Asset-Backed	9,813,468	2.9
Foreign	11,776,162	2.4
Municipals	19,626,936	5.8
Other	7,850,775	0.5
Total Fixed Income	$ 392,538,728	100.0

Note: Fair Value per sector on this schedule is approximate and is calculated based on the Industry Sector distribution percentages applied to the asset class balance at 12/31/24, provided by Marquette Associates.

TOP 10 HOLDINGS - FIXED INCOME
as of December 31, 2024

Security Name	Portfolio Weight %
US TREASURY NOTE 1.875% DUE 2/15/32	1.6
US TREASURY NOTE 2.375% DUE 5/15/27	1.4
US TREASURY NOTE 3.500% DUE 2/15/33	1.4
US TREASURY NOTE 4.250% DUE 11/15/34	1.0
US TREASURY NOTE 4.000% DUE 2/15/34	0.8
US TREASURY NOTE 4.250% DUE 6/30/29	0.8
US TREASURY BOND 3.750% DUE 8/15/41	0.7
US TREASURY BOND 2.375% DUE 5/15/51	0.6
US TREASURY BOND 2.500% DUE 2/15/45	0.6
US TREASURY NOTE 4.125% DUE 8/31/30	0.6

Note: A complete list of portfolio holdings is available upon request of Fund management.

TOP 10 HOLDINGS - REAL ESTATE
as of December 31, 2024

UBS TRUMBULL PROPERTY FUND

Property	Type	Location	% of Fund NAV
Cambridge Side	Mixed Use	Cambridge, MA	4.8
Liberty Green-Liberty Luxe	Apartment	New York, NY	3.5
Hayward Industrial	Industrial	Hayward, City	3.0
555 17th Street	Office	Denver, CO	2.1
Meridian Business Campus	Industrial	Weston, FL	2.0
Alina	Apartment	Los Angeles, CA	1.9
Muze at Met Square	Apartment	Miami, FL	1.9
Amazon Highland Cross	Industrial	Rutherford, NJ	1.8
O-I Glass Facility	Industrial	Vernon, CA	1.8
Globe Center	Industrial	Morrisville, NC	1.7

DWS RREEF AMERICA II

Property	Type	Location	% of Fund NAV
Riverfront	Office	Cambridge, MA	4.0
Fullerton Crossroads	Industrial	Fullerton, CA	3.9
NJ Ports I	Industrial	Jersey City, NJ	2.9
Manhattan Village	Retail	Manhattan Beach, CA	2.8
Gateway Commerce Center	Industrial	Columbia, MD	2.3
Alvarado	Industrial	Union City, CA	2.0
Harris Business Center	Industrial	City of Commerce, CA	1.8
Stadium Plaza Business Park	Industrial	Anaheim, CA	1.8
Sharon Green	Apartment	Menlo Park, CA	1.7
Applegate	Industrial	Cranbury, NJ	1.6

Note: A complete list of portfolio holdings is available upon request of Fund management.

ASSETS UNDER MANAGEMENT
By Asset Type and Manager

	December 31, 2024		December 31, 2023	
	Fair Value	% of Total	Fair Value	% of Total
Fixed Income Managers				
Neuberger Berman	$ 101,797,273	6.5	$ 99,379,468	6.8
Ramirez Asset Management	72,796,955	4.7	71,548,441	4.9
State Street Global Advisors	163,536,256	10.5	159,867,461	11.0
Garcia Hamilton & Associates	54,408,244	3.5	54,461,975	3.7
Total Fixed Income	392,538,728	25.2	385,257,345	26.4
Equity Managers				
U.S. Equity				
Ariel Investments	82,665,357	5.3	76,720,701	5.3
Mesirow Financial Management	60,788,104	3.9	60,079,461	4.1
State Street Global Advisors S&P500	241,199,022	15.5	222,152,221	15.2
State Street Global Advisors S&P400	67,200,621	4.3	58,990,846	4.0
State Street Global Advisors Russell1KG	83,826,789	5.4	78,175,503	5.4
Wasatch Advisors	75,809,044	4.9	77,729,849	5.3
Subtotal	611,488,937	39.3	573,848,581	39.3
Non-U.S. Equity				
Aristotle Capital Management	29,231,639	1.9	27,354,343	1.9
Dimensional Fund Advisors	45,670,811	2.9	52,927,158	3.6
Driehaus Capital Management	38,770,419	2.5	42,184,738	2.9
EARNEST Partners	53,514,791	3.4	50,303,454	3.4
Kayne Anderson Rudnick	42,585,244	2.7	42,110,928	2.9
LSV Asset Management	-	0.0	793,068	0.0
State Street Global Advisors MSCI-ACWI	61,611,493	4.0	55,225,398	3.9
Subtotal	271,384,397	17.4	270,899,087	18.6
Global Equity				
MFS Investment Management	41,654,391	2.7	36,631,948	2.5
Northern Trust Asset Management	43,371,444	2.8	37,069,389	2.5
Subtotal	85,025,835	5.5	73,701,337	5.0
Total Equities	967,899,169	62.2	918,449,005	62.9
Real Estate Managers				
DWS RREEF America II	77,253,689	5.0	77,561,595	5.3
UBS Trumbull Property Fund	39,664,752	2.5	43,262,358	3.0
Total Real Estate	116,918,441	7.5	120,823,953	8.3
Private Credit Manager				
Brightwood Capital	26,063,569	1.7	14,734,126	1.0
Partners Group	35,740,501	2.3	-	
Total Private Credit	61,804,070	4.0	14,734,126	1.0
Total Investments	$ 1,556,876,771	100.0	$ 1,459,230,090	100.0

INVESTMENT MANAGER COMPENSATION

Investment Managers[1]	2024	2023
Ariel Investments	$ 369,713	$ 317,848
Aristotle Capital Management	145,283	113,781
Brightwood Capital Advisors	150,212	-
DWS RREEF	721,192	793,520
Driehaus Capital Management	339,357	313,144
EARNEST Partners	306,597	231,159
Garcia Hamilton & Associates	104,103	101,353
Kayne Anderson Rudnick Investment Management	344,862	307,454
MFS Investment Management	121,437	108,367
Mesirow Financial Management	370,249	325,553
Neuberger Berman	250,522	240,161
Northern Trust Asset Management	111,650	93,122
Ramirez Asset Management	132,917	127,107
State Street Global Advisors	132,603	131,689
UBS Realty Investors	303,034	398,327
Wasatch Advisors	595,104	527,260
Total	$ 4,498,835	$ 4,129,845

CUSTODIAL FEES [2]

Institution		
Bank of New York Mellon Co.	$ 266,101	$ 270,339
KPMG	3,500	3,500
Total	$ 269,601	$ 273,839

INVESTMENT CONSULTANT FEES

Consulting Firm		
Marquette Associates	$ 180,000	$ 180,000
Total Investment Expenses	$ 4,948,436	$ 4,583,684

[1] For financial statement reporting purposes, investment manager compensation is reflected in the financial statements along with other direct investment expenses as an offset to investment income and is so described within the notes to the financial statements.

[2] Custodial fees paid to BNYM do not include management fees related to the Fund's commingled assets custodied by State Street and Dimensional Fund Advisors.

Note: Pro rata management fees and other expenses estimated at $205,000 for the Dimensional Fund Advisors (DFA) mutual fund allocation are not recorded in the Financial Statements in accordance with GAAP; they are recorded by DFA as a reduction of NAV.

U.S. BROKERAGE COMMISSIONS
Year Ended December 31, 2024

Broker Name	Commissions[1]	% of Total
Drexel Hamilton LLC [2]	$ 31,354	18.0
Loop Capital Markets LLC [2]	22,289	12.8
Robert W Baird & Co. Incorporated	16,948	9.7
Penserra Securities LLC [2]	15,199	8.7
Raymond James & Associates Inc	11,887	6.8
Jeffries & Co Inc	10,783	6.2
Cabrera Capital Markets LLC [2]	8,424	4.8
Stifel, Nicolaus & Company, Incorporated	7,250	4.2
Academy Securities Inc. [2]	5,681	3.3
BTIG LLC	5,427	3.1
CastleOak Securities LP [2]	5,306	3.0
Liquidnet Inc	4,463	2.6
Roberts & Ryan, Inc. [2]	3,560	2.0
Wolfe Research LLC	3,424	2.0
Goldman Sachs & Co. LLC	3,297	1.9
Siebert Williams Shank & Co LLC [2]	3,176	1.8
Piper Sandler Companies	2,579	1.5
Canaccord Genuity Group Inc	2,068	1.2
Instinet, LLC	1,895	1.1
Subtotal	165,008	94.7
All Others[3]	9,567	5.3
Total	$ 174,575	100.0

[1] Investment brokerage commissions are accounted for as an additional cost to a security when the security is purchased, and as a reduction to the cash amount received when the security is sold.

[2] Brokerage for stock trades executed by Minority/Women/Disabled/Veteran – Owned Business Enterprises.

[3] Brokerage firms that each received less than 1.0% of the total commissions.

NON-U.S. BROKERAGE COMMISSIONS
Year Ended December 31, 2024

Broker Name	Commissions[1]	% of Total
Cabrera Capital Markets LLC [2]	$ 23,063	23.4
Liquidnet	6,746	6.8
Jeffries & Co Inc	4,827	4.9
Morgan Stanley & Co LLC	4,126	4.2
Goldman Sachs & Co LLC	3,897	3.9
Kepler Capital Markets Inc	3,716	3.8
RBC Capital Markets LLC	3,495	3.5
Daiwa Capital Markets Inc	3,196	3.2
Loop Capital Markets LLC [2]	2,974	3.0
UBS Securities LLC	2,662	2.7
J.P. Morgan Securities LLC	2,450	2.5
Berenberg Bank	2,345	2.4
Sanford C Berstein & Co LLC	1,994	2.0
Merrill Lynch	1,965	2.0
Investment Technology Group	1,882	1.9
Instinet International	1,817	1.8
Penserra Securities LLC [2]	1,740	1.8
North South Capital LLC [2]	1,578	1.6
Macquarie Capital Markets LTD	1,513	1.5
CastleOak Securities LP [2]	1,483	1.5
Citigroup	1,376	1.4
Barclays Capital Inc	1,329	1.3
Mischler Financial Group [2]	1,319	1.3
DNB Markets Inc	1,180	1.2
Subtotal	82,675	83.6
All Others[3]	16,094	16.4
Total	$ 98,769	100.0

1 Investment brokerage commissions are accounted for as an additional cost to a security when the security is purchased, and as a reduction to the cash amount received when the security is sold.

2 Brokerage for stock trades executed by Minority/Women/Disabled/Veteran - Owned Business Enterprises.

3 Brokerage firms that each received less than 1.0% of the total commissions.

ACTUARIAL SECTION

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

May 6, 2025

Board of Trustees
Metropolitan Water Reclamation District Retirement Fund
111 E. Erie St.
Chicago, IL 60611

Dear Board:

We are pleased to present to the Board this report of the December 31, 2024 actuarial valuation of the Metropolitan Water Reclamation District Retirement Fund.

The valuation was performed as of December 31, 2024 to determine the current funding status and to develop the appropriate funding requirements for the applicable plan year. Successive valuations will be performed every year.

Included are the related results for GASB Statements No. 67 and No. 68. The total pension liability, net pension liability, and certain sensitivity information shown in the GASB results are based on an actuarial valuation performed as of the valuation date. The calculation of the liability for GASB results was performed for the purpose of satisfying the requirements of GASB Statements No. 67 and No. 68. Use of the results for other purposes may not be applicable and produce significantly different results.

Data Sources
In preparing this report, we have relied on personnel, plan design and asset information supplied by the Fund. The actuarial value of assets was determined based on audited financial statements supplied by Legacy Professionals LLP, the auditor for the Fund. In our opinion, the assumptions used in the valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated fund experience. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

Experience
The experience of the Fund over the last year is outlined in this report. Overall, the Fund experienced an actuarial loss of $27,101,518 which consists of a $31,175,456 loss on the Fund's actuarial value of assets and a $4,073,937 gain on the Fund's actuarial accrued liability. Based on the actuarial value of assets, the Fund earned 5.04% compared to the assumed 7.00% return. The primary source of liability gain was more deaths than expected. These gains were offset somewhat by higher than expected salary increases.

Changes Since Prior Report
The valuation reflects no changes since the prior report.

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Contribution Amounts
The statutory funding objective of the Fund is to attain a funded ratio of 100% by the year 2050. District contributions equal an amount that will be sufficient to meet the Fund's actuarially determined contribution requirement but shall not exceed an amount equal to the total employee contributions 2 years prior multiplied by 4.19.

Based on the results of this valuation, the actuarially determined contribution applicable for the fiscal year ending December 31, 2025 is $95,473,753. This contribution is based on a 100% funding target. Based on the pension code, the maximum employer contribution (based on the 4.19 multiplier) is $90,776,000.

We estimate that a multiplier of 4.41 is required to cover the full actuarially determined contribution requirement for the year 2025.

Illinois Public Act 97-0894 (effective 8/3/2012) provided for changes to member contribution requirements and the required multiplier. The expected member contributions reflect the same rates as the prior year valuation.

Schedules for Annual Financial Report
The report includes information and trend data schedules for use in the Annual Financial Report. The following information and exhibits are included in the body of the report and Supplementary Tables section:

- Recommended Employer Multiple
- Present Value of Future Benefits
- Membership Note Data
- Participant Statistics
- History of Change in Unfunded Accrued Liability
- History of Annuitants and Surviving Spouses Added/Dropped from Rolls
- Summary of Annuitants and Surviving Spouses by Age
- History of Average Annuities at Retirement
- Breakdown of Aggregate Accrued Liabilities

Actuarial Certification

The valuations have been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Article 13, Illinois Pension Code, as well as applicable federal laws and regulations. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

In our opinion, the assumptions and method used to determine the annual required contribution, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience.

In our opinion, the following valuation results fairly present the financial condition of the Metropolitan Water Reclamation District Retirement Fund as of December 31, 2024.

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All the sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on this report has any direct financial interest or indirect material interest in the Metropolitan Water Reclamation District, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Metropolitan Water Reclamation District Retirement Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

We look forward to discussing the results with you.

Regards,

Jason L. Franken

Jason L. Franken, FSA, EA, MAAA

Enrollment Number: 23-06888
Foster & Foster, Inc.

ACTUARIAL PREFACE

PENSION FINANCING

The approaches used to finance pensions can be divided into two basic categories. Under Pay-As-You-Go Financing the benefits called for by the plan would be paid out directly by the employer as they become due. Most public retirement plans including the MWRD Retirement Fund use Actuarial Funding, a form of Advance Funding, which is designed to set aside money during an employee's working career so that sufficient funds are accumulated at the time of retirement to pay the employee's future pension. This method builds up a pool of assets which will generate investment income, thereby reducing the contribution requirements to meet the pension costs.

ACTUAL FUNDING

The Fund is financed by employee contributions, employer contributions and investment earnings; investment earnings and employer funding are the primary determinants of the Fund's financial status.

Through fiscal year 2013, statutory employer contributions were capped at 2.19 times employee contributions made in the calendar year two years prior. Beginning in 2013, employer contributions were increased to the lesser of the amount resulting from using a 4.19 multiple, or the actuarially determined contribution requirement to be 90% funded by 2050.

Prior to 2013, employee contributions were 9% of salary for all employees. Contributions for Tier 1 employees, members prior to January 1, 2011, increased to 10% of salary in 2013, to 11% in 2014 and to 12% in 2015; the Tier 1 contribution rate remains at 12% until the Fund achieves 90% funded. Contributions for Tier 2 employees, members after January 1, 2011, are 9% of salary.

ACTUARIAL FUNDING

The Fund's actuary performs an annual actuarial valuation which includes the determination of the Actuarial Accrued Liability, the Actuarial Value of Assets and what is known as the Actuarially Determined Contribution Requirement. Actuaries use demographic data (such as employee age, salary, and service credits), economic assumptions (such as estimated salary increases and interest rates), and decrement assumptions (such as employee turnover, mortality, and retirement rates) in performing these valuations. The actuarial valuation process is generally as follows:

1. Based on the demographic data and actuarial assumptions described above, the amount and timing of benefits payable in the future are estimated by the actuary for all participants at the valuation date. Important assumptions in this computation are the turnover, retirement age, and earnings progression for active members, and mortality for all participants.

2. The actuary then calculates the actuarial present value of these future benefits. This is the amount necessary to be invested at the valuation interest rate, at the valuation date, to provide benefit payments as they come due. Each year's estimated benefit payments are discounted by an assumed interest rate to determine the present dollar value of benefits.

3. The final step is to apply a cost method assigning portions of the total value of benefits to past, present and future periods of employee service. This allocation is accomplished by the development of normal cost and accrued benefit cost.

An experience study was conducted in 2023 to review the actuarial experience during the years 2018-2022. All actuarial assumptions were reviewed for appropriateness going forward. One of the most important actuarial assumptions is the assumed investment rate of return, which was reduced to 7.0% from 7.25%. Other assumptions either were changed or left constant.

The Fund uses the entry age normal actuarial cost method with costs allocated on the basis of earnings, one of several accepted actuarial cost methods. Under this cost method, the Actuarial Present Value of the projected pension of each member included in the valuation is assumed to be funded by annual installments, equal to a level percent of the member's earnings for each year between entry age and assumed exit age. The normal cost for the member for the current year is equal to the portion of the value so determined, assigned to this year. The normal cost for the plan for the year is the sum of the normal costs of all active members. The normal cost for the year beginning January 1, 2025 was determined to be $34.5 million or 16.09% of payroll; 10.65% of payroll is expected from employee contributions, and 5.44% of payroll is the employer's portion. Employers share of normal cost is adjusted by 1.24% of payroll for administrative expenses, making the employer's portion 6.68% of payroll.

Accrued benefit cost, or the Actuarial Accrued Liability (AAL), is the portion of the present value of benefits assigned by the cost method to years of service up to the valuation date (i.e. for past service). This value changes as the member's salary and years of service change, and as some members leave and are replaced by new members. Future normal cost is the portion of the present value of benefits assigned to future years of service (i.e. for future service) and is assumed to be funded annually.

To the extent that current assets plus future normal costs (assumed to be funded annually) do not support members expected future benefits, an Unfunded Actuarial Accrued Liability (UAAL) develops. The UAAL is generally amortized over a fixed period (e.g. 30 years) from the date incurred. Actuarial funding of plan benefits would require annual District (employer) contributions which at least cover the employer's normal cost, plus an amortization of the UAAL. In the past the District funded the plan according to statute as described above, which until the 2013 employer contribution resulted in actual contributions that often fell short of the actuarial requirement. Legislation passed in 2012 changed the computation of the employer contribution, resulting in higher District contributions that more closely approximated the actuarial funding requirement, and required higher employee contributions, with the goal of achieving 90% funded by the year 2050. The Fund statutes were amended in 2022 to reflect a funding goal of 100% by 2050.

The information following this Preface is from the December 31, 2024 actuarial valuation performed by Foster & Foster, which was based upon:

a) Membership data - provided by Fund staff

b) Assets of the Fund - audited financial statements

c) Actuarial Method – entry age actuarial cost method, approved by the Board

d) Actuarial Assumptions – summarized in this section, approved by the Board

SUMMARY OF RESULTS

The table below contains a summary of key valuation results compared to the prior year values.

	December 31, 2024	December 31, 2023
Total Actuarial Liability	$ 3,021,969,482	$ 2,989,813,526
Actuarial Value of Assets	1,691,070,466	1,658,670,756
Unfunded Actuarial Liability	$ 1,330,899,016	$ 1,331,142,770
Funded Ratio	56.0%	55.5%
Fair Value of Assets	$ 1,644,010,438	$ 1,546,579,883
Unfunded Liability (FVA basis)	$ 1,377,959,044	$ 1,443,233,643
Funded Ratio (FVA basis)	54.4%	51.7%
Employer Normal Cost as % of Payroll:		
Tier 1 Benefits	7.22%	7.41%
Tier 2 Benefits	3.23%	3.69%
Administrative Expenses	1.24%	1.45%
Total Employer Normal Cost	6.68%	7.32%
Applicable Fiscal Year[1]	**2025**	**2024**
Actuarially Determined Contribution	$ 95,473,753	$ 94,431,232
Contribution Requirement For Fiscal Year[2]	$ 90,776,000	$ 88,734,000
Expected Employer Contribution for Fiscal Year	$ 90,776,000	$ 88,734,000

[1] The contribution requirements are levied in the applicable fiscal year and deposited into the Fund during the following fiscal year.

[2] See details of calculation on page 82.

Source: Foster & Foster

ACTUARIAL LIABILITY AND FUNDED RATIO

Below are details regarding the actuarial liability and funded ratio as of December 31, 2024.

1.	Present Value of Future Benefits	$	3,305,361,949
2.	Active Members		
	Retirement	$	705,984,190
	Termination		18,866,476
	Death		11,732,883
	Disability		6,889,682
	Total Actuarial Liability	$	743,473,231
3.	Members Receiving Benefits		
	Retirement Annuities	$	1,971,861,295
	Survivor Annuities/Children		278,244,867
	Total Actuarial Liability	$	2,250,106,162
4.	Actuarial Liability - Inactive Members	$	28,390,089
5.	Total Actuarial Liability (2. + 3. + 4.)	$	3,021,969,482
6.	Actuarial Value of Assets	$	1,691,070,466
7.	Unfunded Actuarial Liability	$	1,330,899,016
8.	Funded Ratio		56.0%

Source: Foster & Foster

EMPLOYER'S NORMAL COST

Below is a summary of the employer's share of the normal cost for the year beginning January 1, 2025.

	Tier 1		Tier 2		Total	
Normal Cost	Normal Cost	Percent of Total Payroll	Normal Cost	Percent of Total Payroll	Normal Cost	Percent of Total Payroll
Retirement	$ 20,714,785	17.51%	$ 8,644,009	8.96%	$ 29,358,794	13.67%
Termination	887,059	0.75%	1,876,193	1.94%	2,763,252	1.29%
Death	820,531	0.69%	806,801	0.84%	1,627,332	0.76%
Disability	314,757	0.27%	479,014	0.50%	793,771	0.37%
Total Normal Cost	$ 22,737,132	19.22%	$ 11,806,017	12.23%	$ 34,543,149	16.09%
Expected Member Contributions	$ 14,193,579	12.00%	$ 8,686,461	9.00%	$ 22,880,040	10.65%
Employer's Share of Normal Cost	$ 8,543,553	7.22%	$ 3,119,556	3.23%	$ 11,663,109	5.44%
Expected Administrative Expenses					$ 2,655,833	1.24%
Employer's Share of Normal Cost, adjusted for expected administrative expenses					$ 14,318,942	6.68%
Pensionable Payroll	$ 118,279,826		$ 96,516,233		$214,796,059	

Source: Foster & Foster

ACTUARIALLY DETERMINED CONTRIBUTION

The actuarially determined contribution requirement based on the provisions applicable for fiscal years 2013 and later, according to section 13-503 of Article 13 of the Illinois Pension Code, is below. For comparison, the details under the prior assumptions are also shown.

1.	Employer’s Share of Normal Cost	$	14,318,942
2.	Amortization Payment (annual amount to amortize 100% of the unfunded liability by 2050)		
	Actuarial Liability	$	3,021,969,482
	Actuarial Assets	$	1,691,070,466
	Unfunded Accrued Liability	$	1,330,899,016
	Amortization Period		26 years
	Amortization Payment		$81,154,811
3.	Actuarially Determined Contribution for Year Beginning January 1, 2025	$	95,473,753
	as a percentage of pensionable payroll		44.45%
4.	District's Funding Policy (4.19 x Total Member Contributions for two years prior)	$	90,776,000
	as a percentage of pensionable payroll		42.26%
5.	Statutory Employer Contribution (lesser of 3 and 4)	$	90,776,000

Source: Foster & Foster

UNFUNDED ACTUARIAL LIABILITY

1.	Unfunded Actuarial Accrued Liability (UAAL) as of December 31, 2023	$ 1,331,142,770
2.	Employer Normal Cost, Developed as of December 31, 2023	14,951,131
3.	Expected Interest (7.00%) on 1. and 2.	94,226,573
4.	Employer Contributions	131,981,743
5.	Expected Interest (7.00%, mid-year) on 4.	4,541,234
6.	Expected UAAL as of December 31, 2024 (1)+(2)+(3)-(4)-(5)	1,303,797,498
7.	Change in UAAL Due to Actuarial (Gain)/Loss, by component	
	Increase in UAAL due to AVA investment return lower than assumed	31,175,456
	Increase in UAAL due to salary increases higher than assumed	4,331,006
	Increase in UAAL due to decrement experience	3,475,835
	Decrease in UAAL due to inactive mortality experience	(14,719,900)
	Increase in UAAL due to other changes	2,839,122
	Net increase in UAAL due to actuarial experience	27,101,518
8.	Change in UAAL Due to Assumption Changes	-
9.	Unfunded Actuarial Accrued Liability as of December 31, 2024	$ 1,330,899,016

Source: Foster & Foster

PARTICIPANT DATA

Participant Information	December 31, 2024	December 31, 2023	Change
Number Active Members - Total	1,799	1,771	1.6%
Number Active Members - Fully Vested	963	962	0.1%
Number Receiving Benefits			
Retirement Annuities	1,897	1,920	-1.2%
Surviving Spouse Annuities	538	549	-2.0%
Children’s Annuities	19	16	18.8%
Number Inactive Members - Total	152	128	18.8%
Number Inactive Members - Vested	54	40	35.0%
Total Members	4,405	4,384	0.5%
Total Pensionable Salary	$ 214,796,059	$ 204,388,113	5.1%
Active Statistics – Tier 1			
Number	867	916	-5.3%
Average Age	55.02	54.41	1.1%
Average Service	19.39	18.99	2.1%
Pensionable Salary	$ 118,279,826	$ 119,809,609	-1.3%
Average Pensionable Salary	$ 136,424	$ 130,797	4.3%
Active Statistics – Tier 2			
Number	932	855	9.0%
Average Age	44.44	44.56	-0.3%
Average Service	5.89	5.61	5.0%
Total Salary	$ 98,408,712	$ 86,985,083	13.1%
Average Salary	$ 105,589	$ 101,737	3.8%
Pensionable Salary	$ 96,516,233	$ 84,578,504	14.1%
Average Pensionable Salary	$ 103,558	$ 98,922	4.7%
Annual Benefit Payments for Members Receiving Benefits			
Retirement Annuities	$ 166,073,532	$ 163,259,896	1.7%
Surviving Spouse Annuities	$ 33,742,059	$ 32,985,637	2.3%
Children’s Annuities	$ 114,000	$ 96,000	18.8%

Source: Foster & Foster

ACTUARIAL ASSUMPTIONS AND METHODS

Below is a summary of the actuarial assumptions for the December 31, 2024 valuation. An experience study was performed December 18, 2023 based on data for the period December 31, 2017 through December 31, 2022. The assumptions below are based on the experience study and were recommended by Foster & Foster Actuaries, and adopted by the Board of Trustees effective December 31, 2023.

Interest Rate	7.00%
Mortality Rate	***Active Lives:*** PubG.-2010 (amount-weighted) Employee mortality, unadjusted, projected to 2023 with MP-2021. ***Inactive Lives:*** PubG-2010 (amount-weighted) Healthy Retiree mortality, adjusted by a factor of 1.067 for male retirees and 1.061 for female retirees, projected to 2023 with MP-2021. ***Beneficiaries:*** PubG-2010 (amount-weighted) Survivor mortality, adjusted by a factor of 0.973 for male beneficiaries and adjusted by a factor of 1.075 for female beneficiaries, projected to 2023 with MP-2021. ***Disabled Lives:*** PubS-2010 Disabled mortality, unadjusted with no mortality improvements. The mortality assumptions sufficiently accommodate anticipated future mortality improvements.
Annual Increase - Annuitants	
Hired On Or After January 1, 2011	1.25%
Hired Before January 1, 2011	3.00%
Inflation	2.50%
Salary Increases	See Table 1
Retirement Rates	See Table 2
Termination Rates	See Table 3
Disability Rates	See Table 4
Load for Reciprocal Benefits	1.5% of active member costs and liabilities.
Percent Married	76%

ACTUARIAL ASSUMPTIONS AND METHODS, CONTINUED

Spousal Age Difference	Spouse of male member assumed to be 3 years younger than member; Spouse of female member assumed to be 3 years older than member.
Actuarial Cost Method	Entry Age Normal, with costs allocated on basis of earnings. Actuarial gains and losses are reflected in the unfunded actuarial liability.
Actuarially Determined Contribution Requirement	Section 13-503. Employer’s normal cost plus the annual amount needed to amortize the unfunded liability by the year 2050 as a level percent of payroll. The target funded ratio is 100% by the year 2050.
Actuarial Asset Method	Fair value of assets adjusted by the unrecognized investment gains and losses for each of the five years prior to the valuation date. Gains and losses are recognized at a rate of 20% per year. Actuarial Assets shall not be less than 80% nor greater than 120% of Fair value of assets.
Payroll Growth	2.75%
Assumed Administrative Expenses	Administrative expenses paid from the trust during the prior year.
Source of Data	Data and audited financial information is provided by the Fund.
Valuation Date	December 31, 2024.

Changes in Funding Assumptions/Methods Since the Prior Valuation

The valuation reflects no assumption or method changes since the prior year.

ACTUARIAL ASSUMPTIONS AND METHODS, CONTINUED

Table 1 – Salary Increase Rates

Service	Salary Increase Rate
0	7.50%
1	6.00%
2	5.75%
3	5.00%
4	4.50%
5	5.00%
6	4.50%
7	4.00%
8	4.50%
9	5.00%
10 - 14	3.50%
15	5.00%
16 - 18	3.50%
19	5.00%
20+	3.50%

Table 2 – Retirement Rates

Age	Retirement Rate
50 - 56	10%
57 - 59	11%
60	16%
61	13%
62	17%
63 - 64	10%
65 - 67	20%
68 – 69	25%
70 – 71	20%
72	33%
73	20%
74	40%
75+	100%

ACTUARIAL ASSUMPTIONS AND METHODS, CONTINUED

Table 3 – Termination Rates

Service	Male Rate	Female Rate
0	6.00%	8.00%
1	4.00%	7.00%
2	2.50%	6.00%
3	2.25%	4.70%
4	2.00%	3.40%
5	1.90%	3.00%
6	1.80%	2.90%
7	1.75%	2.80%
8	1.65%	2.70%
9	1.60%	2.60%
10	1.55%	2.50%
11	1.45%	2.40%
12	1.35%	2.30%
13	1.10%	2.20%
14	1.10%	2.10%
15	1.05%	2.00%
16 – 23	1.00%	2.00%
24+	0.50%	2.00%

Table 4 – Disability Rates (Sample Rates)

Age	Disability Rate
20	0.002%
25	0.003%
30	0.006%
35	0.014%
40	0.033%
45	0.065%
50	0.120%
55	0.225%
60	0.490%
65	0.000%

PLAN PROVISIONS

The following describe and reflect provisions in effect as described in Article 13 of the Illinois Pension Code. The provisions below reflect changes included in Public Act 96-0889 and Public Act 96-1490, which created the second "tier" of benefits for members hired on or after January 1, 2011 and provided clarifying changes.

Eligibility	All employees of the District whose duties indicate service during the calendar year for a minimum of 120 days are eligible.
Normal Retirement Eligibility	Hired before January 1, 2011: Age 60 and 5 years of service Hired on or after January 1, 2011: Age 67 and 10 years of service
Normal Retirement Benefit	The annual benefit payable immediately is equal to the sum of: (a) 2.2% of Average Final Salary for each year of service up to 20 years. (b) 2.4% of Average Final Salary for each year of service in excess of 20 years The benefit shall not exceed 80% of Average Final Salary.
Early Retirement Eligibility	Hired before January 1, 2011: Age 55 (50 if hired before June 13, 1997) and 10 years of service Hired on or after January 1, 2011: Age 62 and 10 years of service
Early Retirement Benefit	Normal Retirement Benefit reduced as follows: Hired before January 1, 2011: If member retires before reaching age 60 with less than 30 years of service, 0.5% for each full month the member is less than age 60 or service is less than 30 years, whichever is less. Hired on or after January 1, 2011: 0.5% per month the member is less than age 67
Deferred Retirement Eligibility	Tier 1: Age 55 (50 if hired before June 13, 1997) and 5 years of service. Tier 2: 10 years of service

Deferred Retirement Benefit	The annual benefit payable at the following ages: Hired before January 1, 2011: Age 62, if withdraw on or after age 55 (50 if hired before June 13, 1997) with at least 5 years of service and less than 10 years Age 55 (50 if hired before June 13, 1997), if withdraw with 10 years of service Hired on or after January 1, 2011: Age 62, if withdraw with 10 years of service The annual benefit amount equals the Normal Retirement Benefit reduced with Early Retirement Reductions.
Minimum Retirement Annuity	10 years of service: $500 per month plus $25 per month for each year of service in excess of 10 years, not to exceed $750 with 20 years of service Less than 10 years of service or retirement before age 60: $250 per month
Duty Disability Eligibility	Member incurs injury or sickness due to employment with the District and is compensable under the Workers' Compensation Act or the Occupational Disease Act.
Duty Disability Benefit	75% of salary earned on the date of disability, less the amount paid by Workers' Compensation Benefit is 50% of salary if disability resulted from physical defect or disease that existed at the time injury was sustained. Benefits are payable during period of disablement, but not beyond attainment of age 65. If disability occurs at age 60 or older, benefits are payable for a maximum of 5 years.
Ordinary Disability Eligibility	Member becomes disabled due to any cause other than injury or illness incurred in the performance of duty.
Ordinary Disability Benefit	50% of earnable salary at the date of disability Member may receive ordinary disability benefits for a maximum period of the lesser of 25% of member's actual service prior to disablement or 5 years.

Surviving Spouse Annuity Eligibility	Hired before June 13, 1997: Immediately eligible if married to member on date of member's death while in service or married to member on member's date of termination from service and remained married until member's death. Dissolution of marriage after retirement shall not divest the member's spouse of entitlement if marriage was in effect for at least 10 years on the date of retirement. Hired on or after June 13, 1997: Eligible after 3 years of service. Conditions for marriage described for members hired prior to June 13, 1997 apply.
Surviving Spouse Benefit	Hired before January 1, 2011: Retirement annuity earned at the time of death multiplied by a factor of 60% plus 1% for each year of member's total service, to a maximum of 85%. If hired after January 1, 1992, annuity is reduced by 0.25% for each full month spouse is younger than member to maximum reduction of 60%. Discount is reduced by 10% for each year marriage is in effect. Hired on or after January 1, 2011: 66 2/3% of retirement annuity earned at the time of death.
Minimum Surviving Spouse Annuity	Member with 10 years of service: greater of (a) $500 per month plus $25 per month for each year of service in excess of 10, not to exceed $750 per month, or (b) 50% of the retirement annuity of member at time of death. Member with less than 10 years of service: $250 per month.
Children's Annuity Eligibility	Member parent dies in service or deceased parent was former member with at least 10 years of service. Child is unmarried and less than age 18 (23, if full-time student).
Children's Annuity Benefit	$500 per month for each child if have living parent and $1,000 per month for each child if neither parent is living to a maximum of $5,000 per month.

Annual Increase

Hired before January 1, 2011: Retirement annuity is increased on the anniversary of retirement by 3% of the monthly annuity payable at the time of increase.

Spouse annuity is increased on the earlier of the anniversary of the member's death or retirement (whichever occurs first) by 3% of the monthly annuity payable at the time of increase.

Hired on or after January 1, 2011: increase percentage is the lesser of 3% or ½ the increase in CPI-U during the previous calendar year. Increase is based on the originally granted retirement or spouse's annuity.

Member Contributions – retiree annuity

Pay period:	Contribution % Annuity:	Contribution % Annual Inc.:
Before January 1, 2013	7.0%	0.5%
During calendar year 2013	7.5%	1.0%
During calendar year 2014	8.0%	1.5%
During calendar year 2015 and until fund is 90% funded	8.5%	1.5%
After fund is 90% funded	7.0%	0.5%

Members hired on or after January 1, 2011 have member contributions of 7.5% (7.0% of pay for the annuity and 0.5% of pay for annual increases).

Member Contributions – spouse annuity

Pay period:	Contribution percentage:
Before January 1, 2015	1.5%
During calendar year 2015 and until fund is 90% funded	2.0%
After fund is 90% funded	1.5%

Members hired on or after January 1, 2011 contribute 1.5% of pay.

Refund to Member upon Termination	Hired before January 1, 2011: Eligible for refund of all member contributions without interest if under age 55 (50 if hired before June 13, 1997); if age 60 with less than 20 years of service; or if 60 with less than 5 years of service. Upon receipt of refund, member forfeits rights to benefits from the Fund. Hired on or after January 1, 2011: Eligible for refund of all member contributions without interest if under age 62; or if have less than 10 years of service on termination. Upon receipt of refund, member forfeits rights to benefits from the Fund.
Refund for Surviving Spouse's Annuity	Members unmarried at the time of retirement will receive a refund of contributions for spouse annuity with interest at 3% per year, compounded annually.
Refund of Remaining Amounts	If upon death the total amount contributed by the member with 3% interest per year has not been paid to the member, the spouse or designated beneficiaries or estate receives a refund of the excess amount.
Required Contribution – Illinois Pension Code	Lesser of actuarially determined contribution and 4.19 multiplied by total member contributions for the two years prior.
District's Funding Policy	Effective August 27, 2014, the District implemented a policy of contributing an amount equal to 4.19 multiplied by total member contributions for the two years prior until the Fund reaches a funded ratio of 100%.
Pension Service	Any employment, excluding overtime or extra service for which salary is received.
Average Final Salary	Hired before January 1, 2011: Highest average annual salary for any 52 consecutive bi-weekly pay periods within the last 10 years of service immediately preceding the date of retirement. Hired on or after January 1, 2011: Highest average annual salary for 96 consecutive months of service within last 120 months of service, limited to $106,800 (automatically increased by lesser of 3% or ½ the increase in CPI-U during the previous calendar year).

Pensionable Salary	Salary paid to a Fund member for service to the District or to the Fund, including salary paid for vacation and sick leave and any amounts deferred under a deferred compensation plan established under the Code, but excluding the following: payment for unused vacation or sick leave, overtime pay, termination pay and any compensation in the form of benefits other than salary. Salary for members hired on or after January 1, 2011 is subject to the salary limitations established in the Illinois Pension Code. The statutory salary limitation is $119,892.41 for calendar 2022 and $123,489.18 for calendar 2023.

Changes in Fund Provisions Since the Prior Valuation

- None

SCHEDULE OF FUNDING PROGRESS
(Actuarial Funding - Going Concern, Entry Age Normal Method)

Year End	Total Actuarial Accrued Liability (AAL)	Actuarial Value of Assets [1]	Funded Ratio	Unfunded AAL (UAAL)	Active Pensionable Payroll[3]	UAAL as a % of Payroll
2015 [2]	2,371,031,195	1,307,982,039	55.2%	1,063,049,156	177,507,159	598.9%
2016	2,443,291,644	1,372,361,950	56.2%	1,070,929,694	182,640,163	586.4%
2017	2,497,890,179	1,456,195,876	58.3%	1,041,694,303	184,385,188	565.0%
2018 [2]	2,601,163,632	1,470,308,639	56.5%	1,130,854,993	187,849,708	602.0%
2019	2,666,221,630	1,489,266,144	55.9%	1,176,955,486	189,961,010	619.6%
2020	2,714,192,284	1,556,056,167	57.3%	1,158,136,117	188,072,970	615.8%
2021	2,756,489,008	1,617,809,696	58.7%	1,138,679,312	187,213,026	608.2%
2022	2,811,600,986	1,624,081,682	57.8%	1,187,519,304	195,713,509	606.8%
2023	2,989,813,526	1,658,670,756	55.5%	1,331,142,770	204,388,113	651.3%
2024	3,021,969,482	1,691,070,466	56.0%	1,330,899,016	214,796,059	619.6%

[1] Assets are stated using 5-year smoothing Actuarial Asset Method.

[2] Change in actuarial assumptions.

[3] Pensionable payroll is annualized based on actual payroll paid to active members on the last paydate of the year.

The table and graph above illustrate the growth of the unfunded liability over the last ten years. The unfunded AAL (UAAL) as a percentage of active member payroll, the last column of the table above, provides a helpful index which shows the smaller the ratio, the stronger the Fund. Observation of the trend of this index will give an indication of whether the Fund is becoming financially stronger or weaker.

SOLVENCY TEST

The prioritized solvency test is another means of checking a system's progress under its funding program. It shows the percentage of future benefit promises that are covered by the current Actuarial Value of Assets. In a short-term solvency test the plan's present assets (cash and investments) are compared with actuarial accrued liabilities classified into the following categories:

1. liability for active member contributions on deposit;
2. liability for future benefits to present retired lives; and
3. liability for the employer financed portion of service already rendered by active members.

If a system has been following the discipline of level percent of payroll financing, the liabilities for active member contributions on deposit (i.e. the present value of liability 1) and the liabilities for future benefits to present retired lives (i.e. the present value of liability 2) will be fully covered by present assets (except in rare circumstances). In addition, the liabilities for the employer financed portion of benefits for present active members (i.e. the present value of liability 3) will normally be partially covered by the remainder of present assets. In addition, if a system has been using a level cost financing, the funded portion of the present value of liability 3 will increase over time. The Fund has not received employer contributions according to level cost financing, but rather has been financed in accordance with Illinois statutes.

	Actuarial Accrued Liabilities				Portion of Liabilities Covered by Assets		
	(1)	(2)	(3)		(1)	(2)	(3)
Year Ended	Active and Inactive Member Contributions	Retirees and Survivors	Active and Inactive Members (ER Financed)	Actuarial Value of Assets	Active and Inactive Member Contributions	Retirees and Survivors	Active and Inactive Members (ER Financed)
12/31/2015	236,967,954	1,616,195,435	517,867,805	1,307,982,039	100%	66%	0%
12/31/2016	244,239,334	1,676,732,070	522,320,240	1,372,361,950	100%	67%	0%
12/31/2017	247,730,731	1,745,598,298	504,561,150	1,456,195,876	100%	69%	0%
12/31/2018	251,845,144	1,843,563,888	505,754,600	1,470,308,639	100%	66%	0%
12/31/2019	251,719,321	1,929,940,867	484,561,442	1,489,266,144	100%	64%	0%
12/31/2020	249,921,777	2,013,763,878	450,506,629	1,556,056,167	100%	65%	0%
12/31/2021	249,356,777	2,082,783,118	424,349,113	1,617,809,696	100%	66%	0%
12/31/2022	254,312,023	2,123,926,285	433,362,678	1,624,081,682	100%	64%	0%
12/31/2023	262,012,341	2,245,880,474	481,920,711	1,658,670,756	100%	62%	0%
12/31/2024	274,587,180	2,250,106,162	497,276,140	1,691,070,466	100%	63%	0%

Source: Foster & Foster

HISTORY OF CHANGE IN UNFUNDED LIABILITY
(Actuarial Funding - Going Concern, Entry Age Normal Method)

Year	Salary Scale	Investment Returns[1]	Employer Contribution[2]	Legislative Amendments
2015	$ (3,201,181)	$ 3,056,008	$ 17,070,881	$ -
2016	(844,096)	(15,960,567)	9,554,045	-
2017	(11,576,111)	(27,925,002)	154,718	-
2018	(7,369,068)	40,260,410	540,397	-
2019	(4,517,433)	23,071,682	4,872,323	-
2020	(6,558,614)	(10,483,804)	(13,370,672)	-
2021	(7,730,245)	(29,048,737)	4,365,008	-
2022	9,908,277	54,659,203	(27,975,842)	-
2023	7,445,891	20,303,079	(22,924,582)	-
2024	4,331,006	31,175,456	(27,345,272)	-
	$ (20,111,574)	$ 89,107,728	$ (55,058,996)	$ -

Year	Changes in Actuarial Assumptions	(see assumption reference key 3)	All Other Miscellaneous Experience	Total Increase (Decrease) in Unfunded Liability
2015	$ -		$ 12,971,818	$ 29,897,526
2016	-		15,131,156	7,880,538
2017	-		10,111,004	(29,235,391)
2018	37,438,859	(i, m, r, s, t)	18,290,092	89,160,690
2019	-		22,673,921	46,100,493
2020	-		11,593,721	(18,819,369)
2021	-		12,957,169	(19,456,805)
2022	-		12,248,354	48,839,992
2023	115,906,242	(i, m, r, s, t)	22,892,836	143,623,466
2024	-		(8,404,943)	(243,753)
	$ 153,345,101		$ 130,465,128	$ 297,747,387

[1] Represents investment income deficiency (excess) over expected returns.

[2] Represents employer contributions deficiency (excess) from normal cost plus interest.

[3] Key to changes in assumptions:

i = interest rate	d=disability assumption
r = retirement rates	s = salary
m = mortality	t = termination rates

rb = reciprocal benefits

The table above illustrates that over the last ten years, the unfunded liability has increased by $297.7 million. This reflects large increases of $153.3 million due to changes in actuarial assumptions and $130.5 million due to miscellaneous actuarial experience, and a smaller increase due to investment returns being less than assumed. These increases in the unfunded liability were partially offset by reductions in the UAAL due to overall salary increases that were less than assumed and employer contributions that were more than expected.

During the year 2024 the unfunded liability decreased by $244,000; components of this change are shown above.

HISTORY OF ACTIVE MEMBER DATA

Actuarial Valuation Date	Active Members	Percent Increase	Annual Payroll	Percent Increase	Annual Pensionable Payroll	Percent Increase	Average Pensionable Payroll	Percent Increase	CPI Chicago [1]
12/31/2015	1,846	-1.4%	177,792,308	0.9%	177,507,159	0.8%	96,158	2.2%	-0.3%
12/31/2016	1,843	-0.2%	182,980,055	2.9%	182,640,163	2.9%	99,099	3.1%	0.7%
12/31/2017	1,835	-0.4%	184,807,353	1.0%	184,385,188	1.0%	100,482	1.4%	1.9%
12/31/2018	1,832	-0.2%	188,156,185	1.8%	187,849,708	1.9%	102,538	2.0%	1.8%
12/31/2019	1,817	-0.8%	190,294,933	1.1%	189,961,010	1.1%	104,547	2.0%	1.5%
12/31/2020	1,769	-2.6%	188,542,849	-0.9%	188,072,970	-1.0%	106,316	1.7%	1.1%
12/31/2021	1,737	-1.8%	187,813,712	-0.4%	187,213,026	-0.5%	107,780	1.4%	4.2%
12/31/2022	1,747	0.6%	196,989,572	4.9%	195,713,509	4.5%	112,028	3.9%	7.6%
12/31/2023	1,771	1.4%	206,794,692	5.0%	204,388,113	4.4%	115,408	3.0%	3.3%
12/31/2024	1,799	1.6%	216,688,538	4.8%	214,796,059	5.1%	119,397	3.5%	3.5%
5-year Average Increase/ (Decrease)		-0.2%		2.7%		2.5%		2.7%	3.9%

[1] Average annual increase in CPI-U, All items in Chicago-Naperville-Elgin, IL-IN-WI, all.

HISTORY OF EMPLOYER CONTRIBUTIONS

Contribution Year Ended	Actuarially Determined Contribution for Fiscal Year End	District's Funding Policy	Employer Contribution	% of Actuarially Determined Contribution Contributed	Estimated Multiplier Necessary to Match ADC
12/31/2015	62,603,576	70,772,000	71,041,361	113.48%	3.71
12/31/2016	64,596,066	79,505,000	80,259,713	124.25%	3.40
12/31/2017	65,727,912	89,604,000	89,858,224	136.71%	3.07
12/31/2018	64,988,583	87,281,000	87,167,339	134.13%	3.12
12/31/2019	74,279,999	87,319,000	87,446,476	117.73%	3.56
12/31/2020	77,392,414	88,127,000	107,852,191	139.36%	3.68
12/31/2021	76,841,344	88,754,000	88,803,958	115.57%	3.63
12/31/2022	76,680,499	87,915,000	118,458,646	154.48%	3.65
12/31/2023	81,128,393	86,440,000	117,373,061	144.68%	3.93
12/31/2024	94,431,232	88,734,000	131,981,743	139.76%	4.46

In 2020, 2022, 2023 and 2024 the Fund received special contributions from the District, in addition to the employer contribution based upon the District's Funding Policy. Reader may also refer to another 10-year schedule of actuarially determined and actual contributions included in the Required Supplementary Information of the financial statements in the Financial Section of this report.

Source: Foster & Foster

HISTORY OF EMPLOYEE ANNUITANTS AND SURVIVOR ANNUITANTS ADDED TO AND REMOVED FROM BENEFIT PAYROLL

History of Employee Annuitants

Actuarial Valuation Date	Employee Annuitant	Total Annuities (Annual)	Average Annuities (Annual)	Increase in Average Benefit	Average Age
12/31/2015	1,760	118,892,219	67,552	3.29%	n/a
12/31/2016	1,779	123,491,448	69,416	2.76%	n/a
12/31/2017	1,809	129,366,688	71,513	3.02%	n/a
12/31/2018	1,848	135,435,622	73,288	2.48%	n/a
12/31/2019	1,883	142,324,135	75,584	3.13%	72.4
12/31/2020	1,917	149,537,047	78,006	3.20%	72.4
12/31/2021	1,918	154,398,273	80,500	3.20%	72.5
12/31/2022	1,915	158,591,403	82,815	2.88%	72.7
12/31/2023	1,920	163,259,896	85,031	2.68%	73.2
12/31/2024	1,897	166,073,532	87,545	2.96%	73.6

History of Survivors/Children

Actuarial Valuation Date	Surviving Spouse Annuitants	Total Spouse Annuities (Annual)	Average Spouse Annuities (Annual)	Increase in Average Spouse Benefit	Child Annuitants	Total Child Annuities
12/31/2015	580	21,835,988	37,648	7.94%	19	114,000
12/31/2016	590	23,770,312	40,289	7.01%	25	150,000
12/31/2017	576	24,615,058	42,734	6.07%	23	138,000
12/31/2018	571	25,965,116	45,473	6.41%	24	144,000
12/31/2019	561	27,127,117	48,355	6.34%	21	126,000
12/31/2020	546	27,722,263	50,773	5.00%	20	120,000
12/31/2021	543	29,684,725	54,668	7.67%	21	126,000
12/31/2022	547	31,277,760	57,181	4.60%	18	108,000
12/31/2023	549	32,985,637	60,083	5.08%	16	96,000
12/31/2024	538	33,742,059	62,718	4.38%	19	114,000

Source: Foster & Foster

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STATISTICAL SECTION

Membership Information:

- Changes in Participant Counts
- Employee Age and Service Distribution

Annuitant and Beneficiary Information:

- Distribution of Annuitants by Annual Benefits
- History of Annuitants by Type of Benefit
- History of Annuity Payments
- Distribution of Retirement Annuities by Age and Gender
- Distribution of Surviving Spouse Annuities by Age and Gender
- Annuitants by Age and Gender (graph)
- History of Average Annuities at Retirement
- Schedule of Average Benefit Payments at Retirement

Financial Information (10 years):

- Additions by Source and Deductions by Type
- Employee and Employer Contributions
- Benefit Expenses by Type
- Refunds by Type
- Statement of Changes in Fiduciary Net Position

CHANGES IN PARTICIPANT COUNTS

YEAR 2024

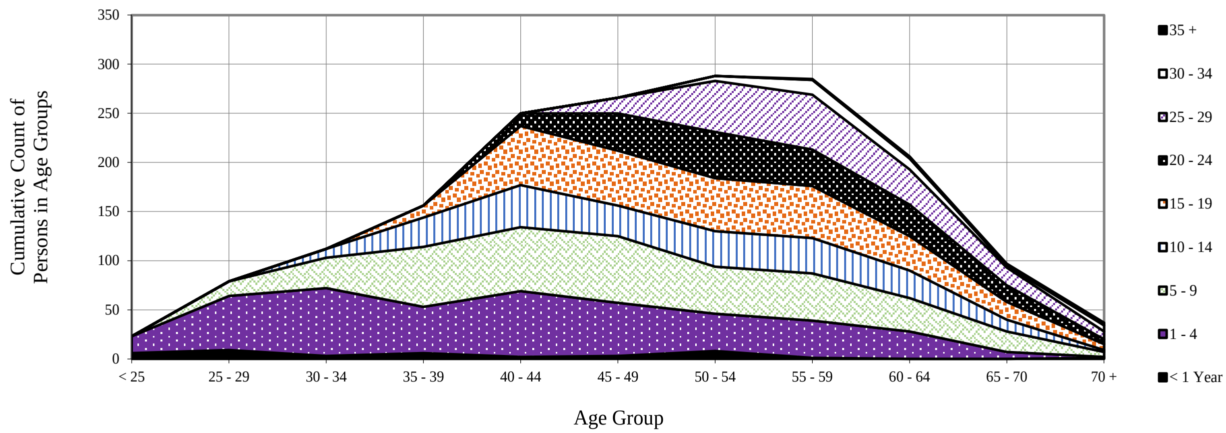
Changes in Active Participants	Number at Beginning of Year	Additions	Decreases	Number at Year End
Tier 1				
Male	658	10	48	620
Female	258	5	16	247
Total Active	916	15	64	867
Tier 2				
Male	636	78	25	689
Female	219	36	12	243
Total Active	855	114	37	932
Total Active				
Male	1,294	88	73	1,309
Female	477	41	28	490
Total Active	1,771	129	101	1,799
Changes in Annuitants and Beneficiaries				
Employee Annuitants				
Male	1,436	42	61	1,417
Female	484	13	17	480
Total Employee Annuitants	1,920	55	78	1,897
Spouse Annuitants				
Male	28	3	2	29
Female	521	36	48	509
Total Spouse Annuitants	549	39	50	538
Child Annuities	16	6	3	19
Total Annuitants	2,485	100	131	2,454
Percentage of Active Participants to Annuitants and Beneficiaries	71.3%			73.3%

Source: Foster & Foster

The above schedule provides details about the changes in the number and gender of active participants, as well as the changes in the number and type of annuitants for the year. A percentage of active participants to annuitants less than 100% indicates that there are more retirees/payees than working members of the Fund.

EMPLOYEE AGE AND SERVICE DISTRIBUTION
ACTIVE MEMBER COUNT & PENSIONABLE SALARIES - BY AGE AND SERVICE
Male and Female Combined

12/31/24



AGE	YEARS OF SERVICE									
	< 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 +	Total
< 25	6	17								23
	$88,390	$79,321								$81,687
25-29	9	55	15							79
	$71,878	$85,872	$102,138							$87,366
30-34	3	69	31	9						112
	$90,382	$88,031	$104,655	$114,263						$94,802
35-39	6	47	61	30	12					156
	$89,022	$97,301	$108,809	$108,113	$137,225					$106,633
40-44	2	67	65	43	60	13				250
	$75,357	$95,892	$107,877	$112,955	$143,592	$159,928				$116,557
45-49	3	54	68	31	56	38	16			266
	$100,492	$98,796	$114,676	$116,239	$136,624	$154,125	$139,674			$123,234
50-54	8	38	48	36	54	47	52	5		288
	$103,003	$101,647	$114,899	$114,079	$131,114	$153,934	$157,486	$237,736		$131,950
55-59	1	38	48	36	53	37	56	15	1	285
	$69,997	$99,215	$111,884	$113,927	$125,398	$134,995	$147,271	$133,067	$81,370	$123,780
60-64	0	28	34	28	35	32	36	11	2	206
	$0	$98,292	$106,830	$114,056	$120,960	$138,602	$147,242	$120,218	$129,038	$121,981
65-69	0	7	21	12	18	17	18	2	2	97
	$0	$91,044	$116,917	$114,519	$117,444	$130,938	$136,178	$165,064	$114,369	$121,822
70 +	1	1	5	2	6	5	8	6	3	37
	$59,987	$121,451	$102,576	$105,144	$114,269	$113,555	$128,231	$147,314	$183,035	$124,779
Total Number	39	421	396	227	294	189	186	39	8	1,799
Average Salary	$86,890	$94,114	$110,378	$113,297	$131,540	$144,945	$147,575	$146,695	$139,660	$118,284

Source: Foster & Foster

The above table provides detail about the number of active members categorized in 5-year bands of age and years of service. The above chart illustrates that the largest age segments of active members is 50-54 and 55-59 years of age with average pensionable salary of $131,950 and $123,780 respectively. By years of service, the largest segment of active members has 1 - 4 years of service with an average pensionable salary of $94,114.

DISTRIBUTION OF ANNUITANTS BY ANNUAL BENEFIT

Annual Benefit	Retirees	Survivors	Children	Total
Under $20K	121	82	19	222
$20K - $30K	93	42	0	135
$30K - $40K	88	47	0	135
$40K - $50K	123	47	0	170
$50K - $60K	138	44	0	182
$60K - $70K	175	64	0	239
$70K - $80K	162	52	0	214
$80K - $90K	188	40	0	228
$90K - $100K	160	35	0	195
$100K - $110K	137	21	0	158
$110K - $120K	115	20	0	135
$120K - $130K	96	13	0	109
$130K - $140K	60	10	0	70
$140K - $150K	62	9	0	71
Over $150K	179	12	0	191
Total	1,897	538	19	2,454

Source: Foster & Foster

The above schedule provides detail about the number, amount, and type of monthly benefits paid by the Fund in the last pay period of the year.

HISTORY OF ANNUITANTS BY TYPE OF BENEFIT at Year End

Year	Employee Annuitants [1]	Spouse Annuitants [2]	Child Annuitants	Total Annuitants	Ordinary Disability	Duty Disability
2015	1,760	580	19	2,359	16	14
2016	1,779	590	25	2,394	12	11
2017	1,809	576	23	2,408	23	7
2018	1,848	571	24	2,443	19	13
2019	1,883	561	21	2,465	13	7
2020	1,917	546	20	2,483	14	6
2021	1,918	543	21	2,482	21	6
2022	1,915	547	18	2,480	24	4
2023	1,920	549	16	2,485	20	13
2024	1,897	538	19	2,454	23	8

[1] Includes reciprocal annuitants
[2] Includes reversionary annuitants

Source: prepared by RF staff.

The above schedule provides historical perspective about the number and types of beneficiaries paid by the Fund in the last pay period of the year.

History of Employee Annuitants

Actuarial Valuation Date	Employee Annuitant	Total Annuities (Annual)	Average Annuities (Annual)	Increase in Average Benefit	Average Age
12/31/2015	1,760	118,892,219	67,552	3.29%	n/a
12/31/2016	1,779	123,491,448	69,416	2.76%	n/a
12/31/2017	1,809	129,366,688	71,513	3.02%	n/a
12/31/2018	1,848	135,435,622	73,288	2.48%	n/a
12/31/2019	1,883	142,324,135	75,584	3.13%	72.4
12/31/2020	1,917	149,537,047	78,006	3.20%	72.4
12/31/2021	1,918	154,398,273	80,500	3.20%	72.5
12/31/2022	1,915	158,591,403	82,815	2.88%	72.7
12/31/2023	1,920	163,259,896	85,031	2.68%	73.2
12/31/2024	1,897	166,073,532	87,545	2.96%	73.6

History of Survivors/Children

Actuarial Valuation Date	Surviving Spouse Annuitants	Total Spouse Annuities (Annual)	Average Spouse Annuities (Annual)	Increase in Average Spouse Benefit	Child Annuitants	Total Child Annuities
12/31/2015	580	21,835,988	37,648	7.94%	19	114,000
12/31/2016	590	23,770,312	40,289	7.01%	25	150,000
12/31/2017	576	24,615,058	42,734	6.07%	23	138,000
12/31/2018	571	25,965,116	45,473	6.41%	24	144,000
12/31/2019	561	27,127,117	48,355	6.34%	21	126,000
12/31/2020	546	27,722,263	50,773	5.00%	20	120,000
12/31/2021	543	29,684,725	54,668	7.67%	21	126,000
12/31/2022	547	31,277,760	57,181	4.60%	18	108,000
12/31/2023	549	32,985,637	60,083	5.08%	16	96,000
12/31/2024	538	33,742,059	62,718	4.38%	19	114,000

Payments are annualized, computed at twelve times the December 1st annuity payment.

Source: Foster & Foster

The above schedule provides historical perspective about the number, type, and annualized amount of annuity payments made by the Fund.

Distribution of Retirement Annuities by Age and Gender

	Male			Female			Total		
	Count	Total Annuities	Average Annuities	Count	Total Annuities	Average Annuities	Count	Total Annuities	Average Annuities
x < 45	0	0	0	0	0	0	0	0	0
45 <= x < 50	0	0	0	1	13,170	13,170	1	13,170	13,170
50 <= x < 55	6	734,927	122,488	2	189,582	94,791	8	924,510	115,564
55 <= x < 60	59	5,481,227	92,902	23	1,695,542	73,719	82	7,176,769	87,522
60 <= x < 65	177	16,001,480	90,404	84	7,120,310	84,766	261	23,121,790	88,589
65 <= x < 70	261	22,177,190	84,970	95	7,500,872	78,957	356	29,678,062	83,365
70 <= x < 75	266	23,256,200	87,429	93	6,105,868	65,654	359	29,362,068	81,788
75 <= x < 80	290	29,641,325	102,211	97	6,977,849	71,937	387	36,619,174	94,623
80 <= x < 85	195	19,003,785	97,455	48	2,957,575	61,616	243	21,961,360	90,376
85 <= x < 90	109	10,484,519	96,188	17	908,030	53,414	126	11,392,550	90,417
90 <= x	54	4,711,171	87,244	20	1,112,908	55,645	74	5,824,079	78,704
Total	1,417	131,491,824	92,796	480	34,581,708	72,045	1,897	166,073,532	87,545

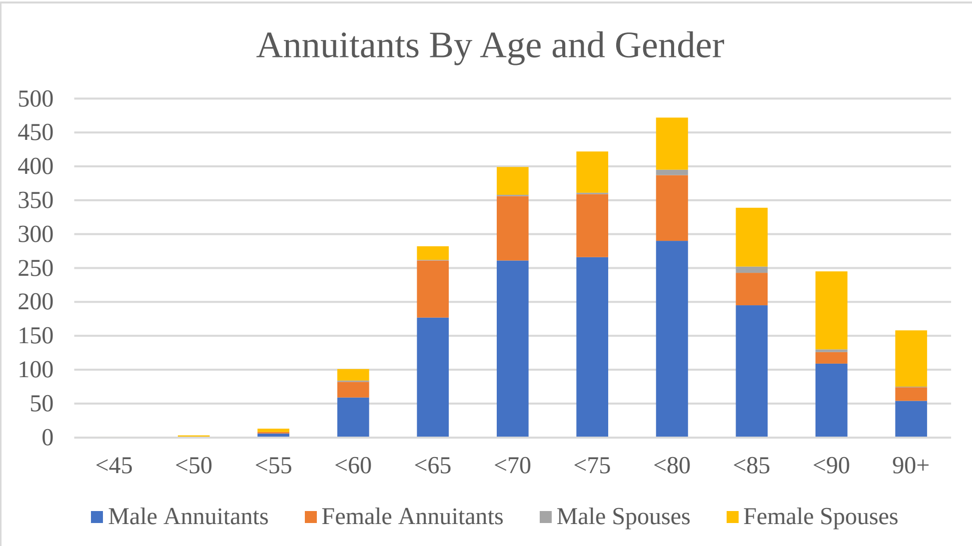
Distribution of Surviving Spouse Annuities by Age and Gender

	Male			Female			Total		
	Count	Total Annuities	Average Annuities	Count	Total Annuities	Average Annuities	Count	Total Annuities	Average Annuities
x < 45	0	0	0	1	20,967	20,967	1	20,967	20,967
45 <= x < 50	0	0	0	2	67,914	33,957	2	67,914	33,957
50 <= x < 55	0	0	0	5	191,623	38,325	5	191,623	38,325
55 <= x < 60	2	16,711	8,356	17	898,893	52,876	19	915,604	48,190
60 <= x < 65	1	4,501	4,501	20	1,065,023	53,251	21	1,069,524	50,930
65 <= x < 70	2	285,670	142,835	41	2,628,506	64,110	43	2,914,176	67,772
70 <= x < 75	2	74,442	37,221	61	3,924,347	64,334	63	3,998,789	63,473
75 <= x < 80	8	369,914	46,239	77	6,038,880	78,427	85	6,408,794	75,398
80 <= x < 85	9	382,295	42,477	87	5,546,912	63,758	96	5,929,207	61,763
85 <= x < 90	4	173,017	43,254	115	7,661,990	66,626	119	7,835,007	65,840
90 <= x	1	73,648	73,648	83	4,316,805	52,010	84	4,390,453	52,267
Total	29	1,380,198	47,593	509	32,361,860	63,579	538	33,742,059	62,718

Source: Foster & Foster

The above schedules provide detail about the age, gender and average annual amounts paid to annuitants by the Fund in the current year. The age and gender information above is graphically represented on the following page.

ANNUITANTS BY AGE AND GENDER
(Reflects the data on the previous page)



HISTORY OF AVERAGE ANNUITIES AT RETIREMENT

Year of Retirement	Number of New Employee Annuitants	Average Annual Benefit at Retirement	Average Age at Retirement	Average Service at Retirement
2015	101	56,673	61.3	n/a
2016	87	57,656	62.6	n/a
2017	98	59,842	59.6	n/a
2018	99	61,111	60.5	n/a
2019	94	73,717	60.9	24.2
2020	104	70,592	61.1	24.0
2021	92	75,529	63.1	24.3
2022	80	67,548	62.7	24.1
2023	66	72,135	64.4	22.9
2024	55	72,272	62.5	23.0

Source: Foster & Foster

The above schedule provides summary information about the changes in the number, age, service, and monthly pension benefit of the Fund’s new retirees from year to year.

SCHEDULE OF AVERAGE BENEFIT PAYMENTS AT RETIREMENT[1]	Years of Credited Service							
	0-5	5-10	10-15	15-20	20-25	25-30	30+	Total
Period 1/1/15 to 12/31/15								
Average Pension	$406	$1,090	$2,339	$2,949	$4,806	$6,321	$7,541	$5,139
Average Final Average Salary	$7,361	$6,460	$8,489	$7,986	$8,184	$8,738	$9,664	$8,560
Number of Retired Members	2	4	10	14	11	46	14	101
Period 1/1/16 to 12/31/16								
Average Pension	-	$1,542	$1,841	$2,800	$5,034	$6,524	$7,112	$4,889
Average Final Average Salary	-	$7,889	$7,263	$7,308	$8,800	$9,030	$9,316	$8,499
Number of Retired Members	-	8	8	13	15	33	10	87
Period 1/1/17 to 12/31/17								
Average Pension	$150	$1,623	$1,925	$2,930	$3,967	$7,014	$7,694	$5,333
Average Final Average Salary	$6,249	$8,142	$7,544	$7,487	$7,563	$9,671	$9,952	$8,739
Number of Retired Members	2	1	8	13	19	46	9	98
Period 1/1/18 to 12/31/18								
Average Pension	$0	$1,336	$1,951	$3,145	$4,422	$6,635	$6,831	$5,087
Average Final Average Salary	$0	$7,215	$7,696	$8,347	$8,750	$9,130	$8,911	$8,636
Number of Retired Members	-	4	16	9	14	29	27	99
Period 1/1/19 to 12/31/19								
Average Pension	$452	$1,069	$1,643	$3,166	$5,678	$7,310	$8,240	$6,129
Average Final Average Salary	$7,927	$6,577	$6,572	$8,723	$10,956	$10,256	$10,447	$9,772
Number of Retired Members	3	2	7	13	11	22	36	94
Period 1/1/20 to 12/31/20								
Average Pension	$534	$977	$2,315	$3,353	$4,280	$7,989	$8,666	$5,989
Average Final Average Salary	$9,741	$7,051	$8,584	$8,841	$8,677	$10,603	$10,949	$9,811
Number of Retired Members	2	2	10	16	17	35	22	104
Period 1/1/21 to 12/31/21								
Average Pension	$160	$1,550	$2,292	$3,672	$5,244	$8,946	$7,977	$6,308
Average Final Average Salary	$8,234	$8,219	$7,706	$8,823	$9,894	$11,719	$10,330	$10,150
Number of Retired Members	2	6	5	6	25	24	24	92
Period 1/1/22 to 12/31/22								
Average Pension	-	$1,120	$2,409	$3,250	$4,632	$7,218	$8,560	$5,627
Average Final Average Salary	-	$7,516	$7,748	$9,382	$9,233	$9,876	$10,887	$9,615
Number of Retired Members	-	4	6	14	17	20	19	80
Period 1/1/23 to 12/31/23								
Average Pension	$593	$1,008	$2,063	$3,623	$5,889	$8,880	$8,206	$6,027
Average Final Average Salary	$12,409	$7,931	$8,291	$9,272	$11,247	$12,621	$10,462	$10,756
Number of Retired Members	3	2	6	11	13	16	15	66
Period 1/1/24 to 12/31/24								
Average Pension	$1,031	$1,332	$2,253	$3,316	$5,263	$6,972	$10,087	$6,015
Average Final Average Salary	$11,634	$9,253	$8,929	$9,043	$11,297	$10,856	$12,829	$10,788
Number of Retired Members	1	1	7	10	7	16	13	55

[1]Average Monthly Benefit amount is rounded to the nearest dollar and does not include Survivor Annuities.
Years of Credited Service does not include reciprocal service. Calculated by Fund staff.

The above schedule provides historical perspective and detail about average initial pensions

ADDITIONS BY SOURCE AND DEDUCTIONS BY TYPE
Last Ten Years
(in Thousands of Dollars)

ADDITIONS BY SOURCE

Year Ending December 31	Employee Contributions	Employer Contributions	Investment Income [1]	Total Additions
2015	21,385	71,041	(1,399)	91,027
2016	20,831	80,260	113,693	214,784
2017	20,840	89,858	194,825	305,523
2018	21,033	87,167	(102,991)	5,209
2019	21,182	87,446	225,163	333,791
2020	20,982	107,852	124,102	252,936
2021	20,630	88,804	220,782	330,216
2022	21,177	118,459	(232,442)	(92,806)
2023	21,665	117,373	169,969	309,007
2024	22,485	131,982	147,319	301,786

DEDUCTIONS BY TYPE

Year Ending December 31	Benefits	Refunds	Administrative Expenses	Total Deductions
2015	139,161	1,348	1,660	142,169
2016	145,325	2,011	1,503	148,839
2017	152,153	2,560	1,614	156,327
2018	159,561	1,762	1,685	163,008
2019	167,481	1,828	1,642	170,951
2020	174,996	2,291	1,593	178,880
2021	182,857	2,282	1,788	186,927
2022	189,344	2,239	2,135	193,718
2023	195,247	1,883	2,954	200,084
2024	199,894	1,806	2,656	204,356

[1] Investment Income is net of investment expenses, and includes securities lending income and miscellaneous income.

Source: Prepared by RF Staff.

The schedules above provide historical detail about additions and deductions.

Last Ten Years
(in Thousands of Dollars)
EMPLOYEE CONTRIBUTIONS

Year	Tier1 Contributions[1]	Tier 2 Contributions[1]	Prior Service Payments[2]	Commissioners' Alternative Plan[3]	Total
2015	19,692	1,623	54	16	21,385
2016	18,571	2,197	13	50	20,831
2017	17,986	2,838	1	15	20,840
2018	17,465	3,484	70	14	21,033
2019	16,894	4,245	24	19	21,182
2020	16,059	4,878	25	19	20,981
2021	15,111	5,492	11	16	20,630
2022	14,780	6,301	84	13	21,178
2023	14,473	7,155	21	16	21,665
2024	14,274	8,178	-	33	22,485

EMPLOYER CONTRIBUTIONS

Year	Regular Contributions [4]	Special Contributions [5]	Total
2015	71,041	-	71,041
2016	80,260	-	80,260
2017	89,858	-	89,858
2018	87,167	-	87,167
2019	87,446	-	87,446
2020	87,852	20,000	107,852
2021	88,804	-	88,804
2022	88,459	30,000	118,459
2023	87,373	30,000	117,373
2024	86,945	42,743	129,688

[1] Includes employee contributions towards employee and surviving spouse annuities, and annual statutory increases.

[2] Prior Service Payments include leave of absence and refund repayment.

[3] Contributions by elected Commissioners to an alternative benefit plan.

[4] Employer contributions based on two years prior employee contributions; since 2014 employer contributions are based on the MWRD Funding Policy.

[5] Special contributions from the MWRD.

Source: Prepared by RF Staff

The schedules above provide historical financial information and detail about the types of contributions received by the Fund.

BENEFIT EXPENSES BY TYPE (in Thousands of Dollars)

Year	Employee Annuities	Spouse Annuities	Child Annuities [1]	Ordinary Disabilities	Duty Disabilities	Total Benefits
2015	$116,885	$21,279	$116	$722	$159	$139,161
2016	121,730	22,920	153	412	110	145,325
2017	127,099	24,203	142	632	77	152,153
2018	133,184	25,264	143	856	114	159,561
2019	139,788	26,741	137	747	67	167,481
2020	146,762	27,322	122	706	84	174,996
2021	152,683	29,215	126	764	69	182,857
2022	157,310	30,830	112	1,030	62	189,344
2023	161,618	32,593	111	840	85	195,247
2024	165,223	33,347	104	1,112	107	199,893

PERCENT OF TOTAL BENEFITS

Year	Employee Annuities	Spouse Annuities	Child Annuities [1]	Ordinary Disabilities	Duty Disabilities
2015	83.99 %	15.29 %	0.08 %	0.52 %	0.11 %
2016	83.76	15.77	0.11	0.28	0.08
2017	83.53	15.91	0.09	0.42	0.05
2018	83.47	15.83	0.09	0.54	0.07
2019	83.46	15.97	0.08	0.45	0.04
2020	83.87	15.61	0.07	0.40	0.05
2021	83.50	15.98	0.07	0.42	0.04
2022	83.08	16.28	0.06	0.54	0.03
2023	82.78	16.69	0.06	0.43	0.04
2024	82.66	16.68	0.05	0.56	0.05

PERCENT CHANGE FROM YEAR TO YEAR

Year	Employee Annuities	Spouse Annuities	Child Annuities [1]	Ordinary Disabilities	Duty Disabilities	Total Benefits
2015	4.97 %	4.08 %	-26.11 %	-12.06 %	13.57 %	4.70 %
2016	4.15	7.71	31.90	-42.94	-30.82	4.43
2017	4.41	5.60	-7.19	53.40	-30.00	4.70
2018	4.79	4.38	0.70	35.44	48.05	4.87
2019	4.96	5.85	-4.20	-12.73	-41.23	4.96
2020	4.99	2.17	-10.95	-5.49	25.37	4.49
2021	4.03	6.93	3.28	8.22	-17.86	4.49
2022	3.03	5.53	-11.11	34.82	-10.14	3.55
2023	2.74	5.72	-0.89	-18.45	37.10	3.12
2024	2.23	2.31	-6.31	32.38	25.88	2.38

[1] Child Annuities include children aged 18-23 who are enrolled as full-time students.

Source: Prepared by RF Staff

The schedules above provide historical information about the types of benefits, the relative dollar amounts, as well as the total and relative growth or decline in the amount of benefits paid by the Fund.

REFUNDS BY TYPE (in Thousands of Dollars)

Year Ending December 31	Inherited Rollovers	Refund Commissioners Alternative	Refunds Regular Contribution	Refunds to Estate	Refund No Surviving Spouse	Refund Excess Optional Contributions	Total
2015	-	$6	$281	$163	$759	$140	$1,349
2016	$127	-	430	718	678	59	2,011
2017	439	-	512	320	1,208	81	2,560
2018	-	-	564	38	1,063	98	1,762
2019	413	13	207	306	744	146	1,828
2020	444	2	315	316	1,116	97	2,291
2021	600	6	367	419	795	95	2,281
2022	358	-	675	64	1,068	74	2,239
2023	44	35	722	91	947	43	1,883
2024	-	-	412	528	803	62	1,806

Note: Schedule was created in 2019 and backfilled for prior years' data; as of 2024 it contains 10 years of data.

Source: Prepared by RF Staff

The schedule above provides historical financial information and detail about the types of refunds paid to members by the Fund.

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STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Last 10 Years

Additions:	2024	2023	2022	2021	2020
Employer contributions	$ 131,981,743	$ 117,373,061	$ 118,458,646	$ 88,803,958	$ 107,852,191
Employee contributions	22,484,686	21,664,982	21,177,644	20,630,052	20,982,056
Total contributions	154,466,429	139,038,043	139,636,290	109,434,010	128,834,247
Investment income					
Net appreciation (depreciation) in fair value of investments	127,823,336	150,326,862	(249,827,311)	204,279,993	106,380,332
Interest on fixed income investments	9,467,475	9,823,665	8,293,541	7,068,363	7,767,240
Interest on short-term investments	-	-	-	-	-
Dividend income	14,819,643	14,299,080	13,457,956	14,384,727	14,424,224
Total investment income (loss)	152,110,454	174,449,607	(228,075,814)	225,733,083	128,571,796
Less investment expenses	(4,948,436)	(4,583,684)	(4,451,311)	(5,052,027)	(4,671,521)
Investment income (loss) net of expenses	147,162,018	169,865,923	(232,527,125)	220,681,056	123,900,275
Security lending activities					
Securities lending income	705,000	714,108	226,331	78,207	192,572
Broker rebates	(501,815)	(586,842)	(128,061)	41,870	55,683
Bank fees	(46,825)	(26,219)	(20,259)	(24,286)	(49,071)
Net income from securities lending	156,360	101,047	78,011	95,791	199,184
Other	1,179	2,260	7,361	5,213	2,738
Total additions	301,785,986	309,007,273	(92,805,463)	330,216,070	252,936,444
Deductions:					
Annuities and benefits					
Employee annuitants	165,223,328	161,617,849	157,310,009	152,683,226	146,762,252
Surviving spouse annuitants	33,346,759	32,593,089	30,830,269	29,215,385	27,322,271
Child annuitants	104,000	110,500	112,000	126,000	121,500
Ordinary disability benefits	1,112,195	840,126	1,029,590	763,703	706,057
Duty disability benefits	107,312	85,074	62,416	69,027	84,373
Total annuities and benefits	199,893,594	195,246,638	189,344,284	182,857,341	174,996,453
Refunds of employee contributions	1,806,004	1,882,834	2,239,202	2,281,407	2,290,858
Administrative expenses	2,655,833	2,954,114	2,134,803	1,788,002	1,592,783
Total deductions	204,355,431	200,083,586	193,718,289	186,926,750	178,880,094
Net increase (decrease)	**97,430,555**	**108,923,687**	**(286,523,752)**	**143,289,320**	**74,056,350**
Net position held in trust for pension benefits					
Beginning of year	1,546,579,883	1,437,656,196	1,724,179,948	1,580,890,628	1,506,834,278
End of year	$ 1,644,010,438	$ 1,546,579,883	$ 1,437,656,196	$ 1,724,179,948	$ 1,580,890,628

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Last 10 Years

Additions:	2019	2018	2017	2016	2015
Employer contributions	$ 87,446,476	$ 87,167,339	$ 89,858,224	$ 80,259,713	$ 71,041,361
Employee contributions	21,182,425	21,032,601	20,839,829	20,830,779	21,385,212
Total contributions	108,628,901	108,199,940	110,698,053	101,090,492	92,426,573
Investment income					
Net appreciation (depreciation) in fair value of investments	204,118,604	(122,365,473)	177,341,970	92,762,607	(20,894,824)
Interest on fixed income investments	7,587,473	8,269,739	7,679,730	11,347,002	10,369,440
Interest on short-term investments	78,543	48,251	20,697	23,036	2,589
Dividend income	18,275,337	15,758,513	14,054,030	13,633,175	14,072,578
Total investment income (loss)	230,059,957	(98,288,970)	199,096,427	117,765,820	3,549,783
Less investment expenses	(5,155,389)	(5,024,180)	(4,620,753)	(4,613,683)	(5,542,836)
Investment income (loss) net of expenses	224,904,568	(103,313,150)	194,475,674	113,152,137	(1,993,053)
Security lending activities					
Securities lending income	431,648	555,840	448,326	265,142	98,280
Broker rebates	(104,883)	(164,155)	(13,332)	294,951	645,265
Bank fees	(72,453)	(84,597)	(89,209)	(126,358)	(178,331)
Net income from securities lending	254,312	307,088	345,785	433,735	565,214
Other	3,058	15,415	3,100	107,175	28,817
Total additions	333,790,839	5,209,293	305,522,612	214,783,539	91,027,551
Deductions:					
Annuities and benefits					
Employee annuitants	139,787,569	133,184,182	127,098,834	121,729,901	116,884,577
Surviving spouse annuitants	26,741,289	25,264,246	24,203,400	22,919,525	21,279,363
Child annuitants	137,000	143,000	142,000	153,500	116,000
Ordinary disability benefits	747,456	856,301	631,401	412,706	721,720
Duty disability benefits	67,422	113,318	77,279	109,753	159,251
Total annuities and benefits	167,480,736	159,561,047	152,152,914	145,325,385	139,160,911
Refunds of employee contributions	1,827,884	1,762,475	2,560,129	2,010,630	1,348,845
Administrative expenses	1,642,209	1,685,479	1,613,976	1,502,639	1,659,917
Total deductions	170,950,829	163,009,001	156,327,019	148,838,654	142,169,673
Net increase (decrease)	**162,840,010**	**(157,799,708)**	**149,195,593**	**65,944,885**	**(51,142,122)**
Net position held in trust for pension benefits					
Beginning of year	1,343,994,268	1,501,793,976	1,352,598,383	1,286,653,498	1,337,795,620
End of year	$ 1,506,834,278	$ 1,343,994,268	$ 1,501,793,976	$ 1,352,598,383	$ 1,286,653,498

Note: beginning in 2020, "Interest on short-term investments" is combined with "Interest on fixed income investments."

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LEGISLATIVE CHANGES SECTION

Legislative Changes – Ten Years

2015 Session

PA 99-0008 Signed July 9, 2015

Effective July 1, 2015, provides that if the employer fails to transmit required contributions to the pension fund, the fund may certify to the State Comptroller the amount due, and the Comptroller must, beginning in 2016, deduct and remit to the fund the certified amounts from payments of State funds to the employer.

PA 99-0462 Signed August 25, 2015

Effective January 1, 2016, adds an aspirational goal for Illinois pension funds to use emerging investment managers for not less than 20% of the total funds under management. It shall also be the goal that not less than 20% of investment managers be minorities, females, and persons with disabilities. It establishes a goal to use businesses owned by minorities, females, and persons with disabilities for not less than 20% of contracts awarded for information technology services, accounting services, insurance

brokers, architectural and engineering services and legal services.

2016 Session

PA 99-0683 Signed July 29, 2016

Requires Illinois pension funds, except downstate police and fire funds, to develop and implement a process to identify deceased annuitants. The process must be implemented no later than June 30, 2017. The process requires the fund to check for any deceased annuitants at least once per month. Accepted methods to identify deceased annuitants include, but are not limited to, the use of a third-party entity that specializes in the identification of deceased persons, the use of data provided by the Social Security Administration, or the use of data provided by the Department of Public Health's Office of Vital Records. Amends the Vital Records Act to require the Department of Public Health to provide death match services to Illinois pension funds at no cost.

2017 Session

PA 100-0244 Signed August 22, 2017

Provides an opportunity for annuitants in same-sex marriages or unions recognized in Illinois a) between June 1, 2011 and June 30, 2016 under the Illinois Religious Freedom Protection and Civil Union Act of 2011, or b) between February 26, 2014 and June 30, 2016 under the Illinois Marriage and Dissolution of Marriage Act of 2014, who retired prior to June 1, 2011 and received a refund of surviving spouse contributions, to repay the no-spouse refund with interest and establish eligibility for a surviving spouse annuity.

2017 Session, continued

PA 100-0244, continued

The annuitant must make an irrevocable election between January 22, 2018, and January 21, 2019. Repayment of the no-spouse refund includes interest at the actuarially assumed rate of return, compounded from the date of the refund to the date of payment. Payment may be made in full or in installments. All payments must be made in full within 24 months of the election.

PA 100-0334 Signed August 25, 2017

Expands the felony forfeiture language to include the forfeiture of surviving spouse benefits that would have been payable to the surviving spouse of a person entering service on or after August 25, 2017, who was convicted of any felony relating to and arising out of service as an employee.

PA 100-0542 Signed November 8, 2017

No later than January 1, 2018, and each January thereafter, requires a consultant to annually disclose to the board of the retirement system, board of the pension fund, or the investment board that retains the consultant certain information concerning searches for investment services from minority owned businesses, female owned businesses, and businesses owned by persons with a disability. Requires a consultant to disclose any compensation or economic opportunity received in the last 24 months from investment advisors retained by the board of a retirement system, board of a pension fund, or investment board. Requires consideration of these disclosures before awarding a contract for consulting services.

2018 Session

PA 100-0902 Signed August 17, 2018

Amends Article 1 to state that each retirement system, pension fund, or investment board shall make its best efforts to ensure that the racial and ethnic makeup of its senior administrative staff represents the racial and ethnic makeup of its membership.

2019 Session

PA 101-0339 Signed August 9, 2019

Amends Section 5/13-208. Provides that "average final salary" means the highest average monthly (instead of annual) salary as calculated by accumulating the salary for the highest 520 consecutive paid days of service (instead of 52 consecutive pay periods) within the last 10 years of service immediately preceding the date of retirement and dividing by 24 (instead of 2). Provides that if the employee is paid for any portion of a workday, the fraction of the day worked and the salary for that fraction of the day shall be counted in accordance with the Fund's administrative rules.

PA 101-0473 Signed August 23, 2019

Amends Section 5/1-113.6 and creates 5/1-113.17. The Illinois Sustainable Investing Act. Provides that any public agency or governmental unit shall develop, publish, and implement sustainable investment policies applicable to the management of all public funds under its control. Provides that the sustainable investment policy may be incorporated in existing investment policies developed, published, and implemented by a public agency or governmental unit. Provides that the sustainable investment policy shall include material, relevant, and decision-useful sustainability factors to be applied by the public agency or governmental unit in evaluating investment decisions. Provides that a public agency shall prudently integrate sustainability factors into its investment decision-making, investment analysis, portfolio construction, due diligence, and investment ownership in order to maximize

2019 Session, continued

PA 101-0473, continued

anticipated financial returns, minimize projected risk, and more effectively execute its fiduciary duty. Specifies sustainability factors, and the ways in which such factors may be analyzed. Amends the Deposit of State Moneys Act, the Public Funds Investment Act, and the Illinois Pension Code to make changes concerning investment policy and the Illinois Sustainable Investing Act. Provides findings and purpose provisions.

PA 101-0546 Signed August 23, 2019

Creates 765 ILCS 1026/15-1505. Requires a retirement system, pension fund, or investment board under the Illinois Pension Code report to the Illinois Treasurers' Office annually property presumed abandoned. No retirement system, pension fund, or investment board under the Illinois Pension Code shall pay or deliver any annuity, pension, or benefit fund held in a fiduciary capacity to the Illinois Treasurers' Office.

PA 101-0620 Signed December 20, 2019

Adds Section 167 to Article 1. Prohibits the disclosure of certain personal information regarding participants and members except where required by the Freedom of Information Act.

2020 Session No legislative changes

2021 Session

PA 102-0097 Signed July 9, 2021

Created 40 ILCS 5/1-113.24. Provides an exception to 5/1-113.14 for investment services with an emerging investment manager provided through a qualified manager of emerging managers service provider.

PA 102-0210 Signed July 30, 2021

Revises 40 ILCS 5/13-310. Provides that payments of an ordinary disability benefit shall be made at least monthly instead of intervals of not more than 30 days.

PA 102-0603 Signed August 27, 2021

Provides that no individual who is a board member of a pension fund, investment board, or retirement system may be employed by that pension fund, investment board, or retirement system at any time during his or her service and for a period of 12 months after he or she ceases to be a board member.

2022 Session

PA 102-0699 Revises 40 ILCS 5/1-110.16. Makes changes to the makeup of the Illinois Investment Policy Board regarding the members appointed by the Governor. States that the Governor shall designate the Chairperson of the Board.

PA 102-0707 Revises 40 ILCS 5/13-503. Changes the funding goal from 90% to 100% by 2050. Allows for revenue derived from the amount taxed for employer contributions to the Fund be retained by the District and used to pay principal and interest on pension obligations bonds issued by the District. The retention shall not decrease the amount of the employer contributions required in any given year under 40 ILCS 5/13-503.

2023 Session

PA 103-0523 Created 40 ILCS 5/13-209.5, a definition of “Licensed health care professional.” Replaces references to “licensed and practicing physician,” or “physician” with “Licensed health care professional.” Also provides that licensed health care professionals (rather than just physicians) may make disability determinations under sections 309, 310, and 314.

Revises ILCS 5/13-706, concerning the Board of the Fund's powers to waive the requirement of legal guardianship of certain persons. Expands the definition of those who may potentially act on a member's behalf.

PA 103-0552 Created 40 ILCS 5/1-167 which prohibits a retirement fund or system from disclosing certain member personal information.

2024 Session No legislative changes