

AN ACT concerning local government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Metropolitan Water Reclamation District Act is amended by adding Section 9.6d as follows:

(70 ILCS 2605/9.6d new)

Sec. 9.6d. Other Post Employment Benefit Trusts. The Board of Commissioners (the Board) may establish one or more trusts (Other Post Employment Benefit ("OPEB") Trusts) for the purpose of providing for the funding and payment of health and other fringe benefits for retired, disabled, or terminated employees of the District or for their dependents and beneficiaries. Trusts created under this Section are in addition to pension benefits for those persons which are currently funded pursuant to Article 13 of the Illinois Pension Code. The OPEB Trusts may employ such personnel and enter into such investment, advisory, or professional services or similar contracts as deemed appropriate by the trustees and recommended by the Treasurer of the Metropolitan Water Reclamation District of Greater Chicago (the District). The OPEB Trusts may be established in such manner so as to be exempt from taxation under the provisions of applicable federal and State tax laws. The trustee of the OPEB Trusts shall be the District. The Treasurer of the District and

the trustee shall be indemnified by the District to the fullest extent permitted by law for their actions taken with respect to the OPEB Trust. The Board may deposit money with the OPEB Trusts derived from the funds of the District from time to time as such money may in the discretion of the Board be appropriated for that purpose; and, in addition, the Board may lawfully agree with the OPEB Trusts to a binding level of funding for periods of time not to exceed 5 fiscal years. In addition, the OPEB Trust documents may permit employees of the District to contribute money to provide for such benefits. To the extent participants do not direct the investment of their own account, the assets of the OPEB Trusts shall be managed by the Treasurer of the District in any manner, subject only to the prudent investor standard and any requirements of applicable federal law. The limitations of any other statute affecting the investment of District funds shall not apply to the OPEB Trusts. The trustee shall adopt an investment policy consistent with the standards articulated in Section 2.5 of the Public Funds Investment Act. The investment policy shall also provide for the availability of training for Board members. Funds of the OPEB Trusts may be used to pay for costs of administering the OPEB Trusts and for the benefits for which such trusts have been established in accordance with the terms of the OPEB Trust documents.

Section 99. Effective date. This Act takes effect upon becoming law.