

**AUTHORIZE ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF
CHICAGO FOR THE MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize entering into an Intergovernmental Agreement with the City of Chicago for the Municipal Employees' Annuity Benefit Fund (the "Fund") at an estimated cost set forth in the Compensation Section of this report. A written agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.

AGENCY: City of Chicago, Department of Finance
121 N. LaSalle
Chicago, IL 60602
Contact: Jennie Huang Bennett, Chief Financial Officer
(312) 744-2204

USER: Board of Education of the City of Chicago
Chicago Public Schools
42 W. Madison
Chicago, IL 60602
Contact: Walter M. Stock, Treasurer and Deputy Chief Financial Officer
(773) 553-1561

DESCRIPTION: The Fund is a pension fund established and operated pursuant to Article 8 of the Illinois Pension Code (40 ILCS 5/8-101 et seq.) (the "Code"). Pursuant to the Code, certain employees and retired employees of the City ("City Employees") and certain employees and retired employees of the Board of Education ("Board of Education Employees"), among others, are entitled to be paid certain annuities and benefits by the Fund. The Board of Education will reimburse the City the amount of the City's required contribution under Section 5/8-173 of the Code attributable to the annuities and benefits for Board of Education Employees.

TERM: The term of this agreement shall commence on the latest date of execution. This agreement will renew annually, but not past calendar year 2059, on the same terms and conditions contained therein subject to written approval by the parties' authorized representatives.

RESPONSIBILITIES OF PARTIES: The Board of Education hereby agrees that it shall pay the City not later than August 29, 2020, \$60,000,000 for the City's fiscal year 2020.

The City and the Board of Education agree to cooperate in the implementation of this agreement.

COMPENSATION: The City of Chicago shall be paid as set forth in the agreement. The estimated annual cost for the one-year term is \$60,000,000.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Treasurer & Deputy Chief Financial Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: Pursuant to the Remedial Program for Minority and Women -Owned Business Enterprise Participation in Goods and Services Contracts (M/WBE Program), this contract is exempt as this contract is an intergovernmental agreement.

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115

Department: Department of Finance

FY20 \$60,000,000

Not to exceed \$60,000,000.

Future year funding is contingent upon budget appropriation and approval.

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

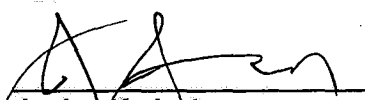
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



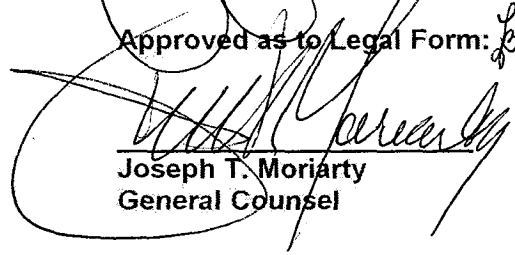
Walter M. Stock
Treasurer & Deputy Chief Financial Officer

Approved:



Janice K. Jackson
Chief Executive Officer

Approved as to Legal Form: 



Joseph T. Moriarty
General Counsel