

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement is made as of the date last executed below (the "Agreement"), by and between the City of Chicago, an Illinois municipal corporation (the "City"), and the Board of Education of the City of Chicago, an Illinois body corporate and politic (the "Board of Education").

Recitals

WHEREAS, the Municipal Employees' Annuity and Benefit Fund of Chicago (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"); and

WHEREAS, 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; and

WHEREAS, according to the Code, the Fund is to be funded, in part, by contributions from the City; and

WHEREAS, the Board of Education desires to reimburse the City a share of 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; and

WHEREAS, the execution of this Agreement by the City is authorized by Article VI of the City's 2020 Annual Revenue Ordinance, which was adopted on November 26, 2019 and published at pages 11514-11546 of the Journal of Proceedings of the City Council of such date (the "City Authorization"); and

WHEREAS, execution of this Agreement by the Board of Education is authorized by the Board Report cited on the signature page hereto;

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the City and the Board of Education do hereby agree as follows:

1. The recitals set forth above are incorporated by reference as if fully set forth herein.
2. The Board of Education hereby agrees that it shall pay the City not later than August 29, 2020, \$60 Million for the City's fiscal year 2020.
3. This Agreement will renew annually, but not past calendar year 2059, on the same terms and conditions contained herein subject to written approval by the parties' authorized representatives.
4. The City and the Board of Education agree to cooperate in the implementation of this Agreement.

5. Each party to this Agreement hereby acknowledges that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education of the City of Chicago ("CPS IG") has the authority to conduct certain investigations and that the CPS IG shall have access to all information and personnel necessary to conduct those investigations.

6. Each party acknowledges that this Agreement and all documents submitted to the parties related to this Agreement are a matter of public record and are subject to the Illinois Freedom of Information Act, 5 ILCS 140/1, et seq., and any other comparable state and federal laws, and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44.

7. The City and the Board of Education are and shall remain in compliance with all applicable federal, state, county, and municipal statutes, laws, ordinances, and regulations relating to this Agreement in effect now or later and as amended from time to time. The City and the Board of Education are and shall remain in compliance with all applicable policies and rules, including the Board of Education's Indebtedness Policy, adopted June 26, 1996 (96-0626-PO3), as amended from time to time, and the Board of Education's Code of Ethics, adopted May 25, 2011 (11-0525-PO2), as amended from time to time, each of which is hereby incorporated by this reference into and made a part of this Agreement as if fully set forth herein.

8. Board of Education expenditures that are agreed to herein but have not been appropriated by the Board of Education in its current fiscal year budget are deemed to be contingent liabilities of the Board of Education only and are subject to appropriation by the Board of Education in subsequent fiscal year budgets. If no funds or insufficient funds are appropriated and budgeted in any subsequent fiscal period by the Board of Education for performance under this Agreement, the Board of Education shall notify the City, and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payment shall be made or due to the City under this Agreement beyond those amounts appropriated and budgeted by the Board of Education to fund payments under this Agreement.

9. This Agreement constitutes the entire agreement of the parties with respect to the matters contained herein. No modification of or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by the authorized representatives of the parties hereto. Any prior agreements or representations, either written or oral, relating to the subject matter of this Agreement are of no force or effect. In the event of a conflict between the terms of this Agreement and any other documents, the terms of this Agreement shall supersede and prevail.

10. No member, employee, agent, officer, or official of either party shall be personally charged by the other party with any liability or expense under this Agreement or be held personally liable to the other party under this Agreement.

11. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

[Remainder of this page is blank]

IN WITNESS WHEREOF, the parties hereto, by their duly authorized officers, have executed this Agreement on the date first referenced above.

City of Chicago, an Illinois municipal corporation

By: Jennie Huang Bennett
Jennie Huang Bennett, Chief Financial Officer

Date: 1/6/2020

Board of Education of the City of Chicago, an Illinois body corporate and politic *JR*

By: Miguel del Valle
Miguel del Valle, President

Attest:

Estela G. Beltran *1/21/20*
Estela G. Beltran, Secretary

1.15.20
Date

Janice K. Jackson
Janice K. Jackson, Ed.D,
Chief Executive Officer

Board Report No: 19-1120-FN1 - 1

Approved as to legal form: *DK JR*

Joseph T. Moriarty
Joseph T. Moriarty, General Counsel

