

September 12, 2012

**ITEM NO. B2**

**AUTHORIZATION TO CONTRIBUTE ADDITIONAL FUNDS  
TO THE 2012 ANNUAL CONTRIBUTION TO THE CHICAGO HOUSING  
AUTHORITY EMPLOYEES' RETIREMENT PLAN AND TRUST**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to contribute an additional \$26,100,000.00 to CHA's 2012 annual contribution to the Chicago Housing Authority Employees' Retirement Plan and Trust.

The Board of Trustees of the Chicago Housing Authority Employees' Retirement Plan and Trust by Resolution and Approval at the August 16, 2012, Pension Board Meeting have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**CORPORATE GOAL**

*1. To improve the current and all future years Funded Status of the CHA Employees' Retirement Plan. 2. To permanently lower the CHA's annual required Plan contributions. 3. To optimize the CHA's future use of cash resources. 4. Provide security to Plan participants.*

**FUNDING:** General Funds

**GENERAL BACKGROUND**

To provide the \$26.1 additional contribution to the Plan will improve the Funded Status for the current estimated 72% to 100%, plus over the years 2012 to 2032 will reduce the annual required contributions by an estimated \$37.7MM, as well as cause the Plan to be in a better position to accumulate and adequately fund the active participant's benefits when they terminate employment and ensure those in payment status are secure in their benefits.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

The Board of Trustees of the Plan recommends that the CEO or designee execute for the Board of Commissioners the additional trust contribution.

The CEO/President recommends the approval to contribute an additional \$26,100,000.00 to CHA's 2012 Employees' Retirement Plan and Trust

**RESOLUTION NO. 2012-CHA-68**

**WHEREAS**, the Board of Commissioners has reviewed Board Letter dated September 12, 2012 entitled "Authorization to approve a year 2012 CHA contribution to the Chicago Housing Authority Employees' Retirement Trust that is in addition to the minimum amount actuarially determined by the Actuaries January 1, 2012, Actuarial Report."

**THEREFORE BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute the additional Year 2012 Trust contribution of \$26,100,000 to the Chicago Housing Authority Employees' Retirement Plan and Trust (the "Plan").

