

RESOLUTION AUTHORIZING 2007-2008 EARLY RETIREMENT WITHOUT DISCOUNT PROGRAM FOR MEMBERS OF THE PUBLIC SCHOOL TEACHERS' PENSION AND RETIREMENT FUND OF CHICAGO FOR THE PERIOD BEGINNING JULY 1, 2007 AND ENDING JUNE 30, 2008

WHEREAS, the Illinois Pension Code (40 ILCS 5/17-116.1, as amended June 1, 2005) authorizes the Chicago Board of Education ("the Board") to create an early retirement without discount program ("ERO Program") for Public School Teachers Pension and Retirement Fund of Chicago ("the Fund") members employed by the Board ("Fund members") for the period of July 1, 2007 to June 30, 2008; and

WHEREAS, the authorized ERO Program allows an **eligible** Fund member, who retires during the period of July 1, 2007 and June 30, 2008 and within six (6) months of the last day of teaching for which retirement contributions were required, to elect at the time of their application to the Fund for retirement benefits to make a one-time employee contribution to the Fund and thereby avoid the early retirement reduction provided for in 40 ILCS 5/17-116(4); and,

WHEREAS, an **eligible** Fund member's exercise of the election by making a one time employee contribution obligates the last Employer to also make a one-time nonrefundable contribution to the Fund; and

WHEREAS, the benefits provided to **eligible** Fund members pursuant to Section 17-116(b) of the Illinois Pension Code are available only to Fund members who retire during a specified period from employment with an Employer that has adopted and filed with the Fund's Board a resolution expressly providing for the creation of an early retirement without discount program pursuant to Section 17-116.1 of the Illinois Pension Code for that period; and

WHEREAS, the Board of Education of the City of Chicago has determined that an early retirement without discount program is in its best interest and that it will provide such a program to its eligible employees for the period beginning July 1, 2007 and ending June 30, 2008 ("the 2007-2008 ERO Program"), in accordance with Section 17-116.1 of the Illinois Pension Code; and

WHEREAS, in accordance with the Section 17-116.1 of the Illinois Pension Code, the Board's Chief Executive Officer and representatives of the Chicago Teachers Union bargained over the maximum number of Fund members who may retire pursuant to the 2006-2007 ERO Program and have reached agreement that, during the time period between July 1, 2007 and June 30, 2008, that number shall not exceed two hundred and twenty-five (225) Fund members who are members of the Chicago Teachers Union bargaining unit; and

WHEREAS, representatives of the Chief Executive Officer and the Chicago Teachers Union have determined that the applications for participation in the 2007-2008 ERO Program shall be granted to eligible Fund members who are members of the Chicago Teachers' Union bargaining unit ("Group I") in order of the date and time of their application until the two hundred and twenty-five (225) Fund member participation has been reached;

WHEREAS, the Chief Executive Officer has recommended that in addition to the Fund members who are members of the Chicago Teachers Union bargaining unit, the Board permit twenty-five (25) Fund members who are not members of the Chicago Teachers Union's bargaining unit ("Group II") to participate in the 2007-2008 ERO Program during the time period between July 1, 2007 and June 30, 2008;

WHEREAS, the Chief Executive Officer has recommended that applications for participation in the 2007-2008 ERO Program shall be granted to eligible Fund members who are not members of the Chicago Teachers Union's bargaining unit in order of the date and time of their application until the twenty-five (25) Fund member maximum participation is reached;

NOW THEREFORE BE IT HEREBY RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO:

1. That the Board of Education of the City of Chicago ("Board") does hereby authorize and create an early retirement without discount program ("2007-2008 ERO Program") for the period of July 1, 2007 through June 30, 2008, which shall take effect July 1, 2007; and,
2. That in order to be an "eligible Fund member" to participate in the 2007-2008 ERO Program under this Resolution, in addition to meeting all Public School Teacher Pension and Retirement Fund of Chicago and other statutory eligibility requirements, Fund members must have been continuously employed by the Board of Education on a full-time basis in a teacher, certificated administrator or principal position or in an appointed half-time teacher position as of June 30, 2007 and must be continuously employed in such a position from June 30, 2007 to the date of their retirement under the 2007-2008 ERO Program; and
3. That pursuant to the agreement reached between the Board's Chief Executive Officer and the Chicago Teachers Union, the number of eligible Fund members who are members of the Chicago Teachers Union bargaining unit who may retire under the Board's 2007-2008 ERO Program shall not exceed two hundred and twenty-five (225) eligible Fund members between July 1, 2007 and June 30, 2008 ("Group I"); and
4. That the number of eligible Fund members who are not members of the Chicago Teachers Union's bargaining unit who may retire under the Board's 2007-2008 ERO Program shall not exceed twenty-five (25) Fund members ("Group II"); and
5. That pursuant to the agreement reached between the Board's Chief Executive Officer and the Chicago Teachers Union, applications for participation in the 2007-2008 ERO Program shall be granted to eligible Fund members in Group I in order of the date and time of their application until the two hundred and twenty-five (225) Fund member participation has been reached; and
6. That applications for participation in the 2007-2008 ERO Program shall be granted to eligible Fund members in Group II in order of the date and time of their application until the twenty-five (25) Fund member maximum participation is reached; and,
7. That in the event that there are more eligible applications for participation in the 2007-2008 ERO Program in either Group I or Group II than the maximum numbers set forth in paragraphs 3 and 4 ("surplus eligible applicants"), and the maximum in the other Group is not reached ("the underused Group"), then the Chief Executive Officer shall permit the surplus eligible applicants to use the unused maximum number from the underused Group, provided however, that in no event shall the total participants from both Group I and Group II exceed two hundred and fifty (250) participants; and,
8. That the period for application for participation in the program shall commence on July 1, 2007 and end on April 15, 2008; and
9. That the Secretary of the Board is hereby authorized and directed to file a certified copy of this Resolution with the Board of the Public School Teachers' Pension and Retirement Fund of Chicago no later than ten (10) days after its passage.