

MEMORANDUM OF UNDERSTANDING
DISTRICT 121 RETIREMENT INCENTIVES

The following Memorandum of Understanding is entered into on the date shown below between the **BOARD OF EDUCATION OF WARREN TOWNSHIP HIGH SCHOOL DISTRICT NO. 121, Lake County, Illinois (“Board”)**, and the **WARREN TOWNSHIP HIGH SCHOOL FEDERATION OF TEACHERS, A COUNCIL OF THE LAKE COUNTY FEDERATION OF TEACHERS LOCAL NO. 504, IFT-AFT/AFL-CIO, (“Union”)** (hereinafter collectively referred to as the **“Parties”**).

W I T N E S S E T H

WHEREAS, the Board and the Union are Parties to a collective bargaining agreement in effect from May 13, 2014, until May 13, 2018 (the **“Agreement”**);

WHEREAS, pursuant to Article VIII.P of the Agreement, an eligible teacher may elect a retirement benefit consisting of 6% base salary enhancements in lieu of the ordinary base salary due under the Agreement;

WHEREAS, the Parties recognize that a teacher electing to retire under the 6% base salary enhancement option is not allowed to earn an increase of greater than 6% of his/her earnings creditable to the Teachers’ Retirement System of Illinois (**“TRS”**) over the prior year’s TRS creditable earnings in any year that is used by TRS to determine his/her annuity; and

WHEREAS, the Parties wish to incorporate a procedure for the District to communicate with teachers who have elected to retire under the 6% base salary enhancement option the restrictions of earnings increases to avoid potential disputes regarding the District imposing the 6% limitation on creditable earnings for such teachers.

NOW, THEREFORE, the Parties agree as follows:

1. Article VIII.P.1. Add the following to the end of the provision: **“b. 6% BASE SALARY ENHANCEMENT** By September 1 of each school year, the Superintendent or designee shall hold meetings with teachers who have had their letters of intent to retire under the 6% base salary enhancement option approved by the Board and as such, are limited to 6% increases in TRS creditable earnings for that year. During these meetings, the administration will review the teacher’s anticipated salary components relative to the 6% creditable earnings limitation. A list of teachers who have elected the 6% base salary enhancement option that have been approved by the Board shall be distributed to the District administrative team by the Superintendent or designee by September 1 each year for management of the earnings limitation. The Parties acknowledge that the meetings are for informational purposes only and the failure of District administration to meet with a teacher shall not preclude the District from exercising the 6% creditable earnings limitation.”

2. Non-Precedential Agreement. The Parties agree that this Memorandum of Understanding shall be considered non-precedential in all respects.

3. Term. This Memorandum of Understanding shall be effective with the start of the 2016-2017 school year, and shall remain in effect until the expiration of the Agreement, *i.e.*, May 13, 2018.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding by their duly authorized representatives.

Dated this 13 day of JUNE, 2016.

**BOARD OF EDUCATION
WARREN TOWNSHIP
HIGH SCHOOL
SCHOOL DISTRICT NO. 121
LAKE COUNTY, ILLINOIS**

By:

[Redacted Signature]

Board President

ATTEST:

[Redacted Signature]

Board Secretary

**WARREN TOWNSHIP HIGH SCHOOL
FEDERATION OF TEACHERS
A COUNCIL OF THE LAKE COUNTY
FEDERATION OF TEACHERS, LOCAL
NO. 504, IFT-AFT/AFL-CIO**

By:

[Redacted Signature]

Union President

ATTEST:

[Redacted Signature]

Union Secretary