

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into this 15th day of November, 2016 between the Board of Education of Pleasant Hill School District No. 69 ("Board") and the Pleasant Hill Federation of Teachers AFT-IFT ("Federation").

Recitals

1. The Collective Bargaining Agreement ("CBA") between the Board and the Federation includes a subparagraph "J" under the "Salary and Fringe Benefits" topic heading addressing Retirement Incentives for teachers.
2. Subparagraph "J" limits the right to receive the retirement incentive to those teachers who submitted a non-revocable resignation within two weeks of ratification of the CBA.
3. The parties desire to allow all teachers with 20 or more years of service in the District who are eligible to receive a non-discounted retirement annuity from TRS to obtain a retirement incentive as more particularly outlined below.

Agreement

4. Subparagraph "J" under Salary and Fringe Benefits in the Collective Bargaining Agreement is deleted in its entirety and replaced with the following:

J. Retirement Incentive,

Teachers with twenty or more years of consecutive service in the District are eligible to receive additional benefits under the terms of this Early Retirement Incentive (ERI). A teacher may receive this ERI if he or she retires at the first of the following to occur:

1. at the end of the school year (July 1 – June 30) in which he or she first accumulates at least thirty-five years of creditable service in the Teachers Retirement System (TRS); or
2. at the end of the school year in which the teacher reaches age 60.

The teacher's effective retirement date must occur at the end of the school year in which the teacher is first eligible for a non-discounted annuity from TRS so that the additional compensation remains an incentive to retire early rather than a mere severance payment. In determining these dates, teachers must consider and utilize all of their available sick leave for creditable service purposes in TRS as well as any available service credit obtained or available from other pension systems.

In order to receive the additional compensation available under this Early Retirement Incentive, eligible employees must deliver a non-revocable letter of resignation without contingency to the Superintendent no later than June 30th of the school year which is either 36, 24 or 12 months prior to retirement. The letter of resignation must reference an Intent to retire under this Early Retirement Incentive and be accompanied by the TRS member requested "Personal Statement of Benefits" and a "Benefit Estimate" indicating total years of service.

Teachers who elect to receive this Early Retirement Incentive by submitting a timely resignation as provided above shall be entitled to an increase in salary during the final year(s) of employment. Such teachers will be removed from the salary schedule and extra-curricular salary schedule during their final years of employment and will be paid as follows: If the resignation is received on or before the prior June 30, the teacher's TRS Creditable Salary for up to the last three years of employment shall equal 106 percent of the TRS Creditable Salary for the immediately preceding prior year(s). The District shall endeavor to spread the increase throughout the school year. However, the District retains the right to make necessary adjustments to monthly pay at any time in the final three years of employment following delivery of the teacher's retirement letter to insure that the total received by the teacher is consistent with this Section. For purposes of this Section, a teacher's "TRS Creditable Salary" means the teacher's base salary together with all other amounts from all sources which are creditable earnings under TRS rules.

Teachers who discontinue an extra-duty assignment in any year that the retirement incentive is paid shall have their yearly increase for that year reduced by the amount of pay for the extra duty assignment.

In the event the Illinois Pension Code, regulations promulgated by TRS, or TRS interpretations are made, changed or modified during the effective period of this Agreement and such interpretations or modifications have the effect of requiring employer or member contributions under this ERI, this incentive shall be null and void and the parties shall engage in mid-term bargaining to amend this ERI in such a way that no employer or member costs shall be incurred.

5. The parties agree that all other terms of the Collective Bargaining Agreement except as set forth in this Memorandum of Understanding remain unchanged.

BOARD OF EDUCATION OF PLEASANT HILL
SCHOOL DISTRICT No. 69

PLEASANT HILL FEDERATION OF
TEACHERS, AFT-IFT




