

**RESOLUTION AUTHORIZING AND DIRECTING THE FILING OF A
CONTROLLER'S CERTIFICATE FOR SCHOOL TAXES TO BE EXTENDED
FOR COLLECTION IN CALENDAR YEAR 2007**

Whereas, the Board of Education of the City of Chicago (the "Board") on December 20, 2006, duly adopted a Resolution levying school taxes for the Board's 2006-2007 Fiscal Year, copies of which Resolution, certified by the Board's Secretary, will be filed with the County Clerks of the Counties of Cook and DuPage, Illinois (the "County Clerks"); and

Whereas, Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, provides that the County Clerks shall extend for collection in the calendar year following the year of a levy of school taxes for the Board only so much of that levy:

"as is required to provide the necessary revenue to defray expenditures, charges and liabilities incurred by the board as certified by the controller of the board to the county clerk upon the value, as equalized or assessed by the Department of Revenue for the calendar year in which the levy was made....."; and

Whereas, said Section 34-54.1 further provides that the County Clerks shall in succeeding calendar years:

"extend such remaining amount of the levy as is certified by the controller of the board to the county clerk upon the value, as equalized or assessed by the Department of Revenue for such calendar year"; and

Whereas, it is necessary that the Controller of the Board be authorized and directed to file with the County Clerks a Controller's Certificate pertaining to school taxes to be extended for collection in calendar year 2007, such taxes to consist of (i) a portion of the school taxes levied by the 2005-2006 School Tax Levy Resolution for the Board's 2005-2006 Fiscal Year, (ii) a portion of the school taxes levied by the 2006-2007 School Tax Levy Resolution for the Board's 2006-2007 Fiscal Year, (iii) school taxes previously levied for the purpose of providing revenue for the payment of rent provided for in various leases entered into between the Board and the Public Building Commission of Chicago, and (iv) school taxes previously levied for the purpose of paying principal and interest on Unlimited Tax General Obligation Bonds (Dedicated Revenues) Series 1996, 1997, 1997A, 1999A, 1999C, 2000A, 2000B, 2000C, 2000D, 2001A, 2001C, 2002A, 2003A, 2003B, 2003D, 2004A, 2004B, 2004C, 2004D, 2004E, 2004F, 2004G, 2004H, 2005A, 2005B, 2005C, 2005D, 2005E, 2006A and 2006B.

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

Section 1. *Filing of Controller's Certificate.* The Controller of the Board is authorized and directed to file with the County Clerks a Controller's Certificate as required by Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, pertaining to school taxes to be extended for collection in calendar year 2007, substantially in the form as provided in Exhibit A which is attached hereto and made a part of this Resolution.

The Controller's Certificate shall be amended as may be necessary in the opinion of the General Counsel to the Board to conform to subsequent changes in law or interpretation of the law.

Section 2. *Effectiveness.* This Resolution shall become effective immediately upon its adoption by the Board.

EXHIBIT A

CERTIFICATE OF THE CONTROLLER OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO SETTING FORTH SCHOOL TAXES TO BE EXTENDED FOR COLLECTION IN 2007

To the County Clerks of Cook and DuPage Counties, Illinois:

On December 21, 2005, the Board of Education of the City of Chicago (the "Board") adopted a Resolution levying school taxes for the Board's 2005-2006 Fiscal Year (the "2005-2006 School Tax Levy Resolution"). A copy, certified by the Secretary of the Board, of the 2005-2006 School Tax Levy Resolution has previously been filed with your office. (A copy of the 2005-2006 School Tax Levy Resolution is attached as Appendix A to this Certificate.)

On December 20, 2006, the Board adopted a Resolution levying school taxes for the Board's 2006-2007 Fiscal Year (the "2006-2007 School Tax Levy Resolution"). A copy, certified by the Secretary of the Board, of the 2006-2007 School Tax Levy Resolution is being filed with your office concurrently with this Certificate. (A copy of the 2006-2007 School Tax Levy Resolution is attached as Appendix B to this Certificate.)

Pursuant to Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, as authorized and directed by the Board, I, Daryl J. Okrzesik, Controller of the Board, certify and direct as follows:

1. You are directed to extend for collection in calendar year 2007, upon the value of all taxable property within the City of Chicago (the "City"), the boundaries of which are coterminous with the boundaries of the school district governed by the Board, as equalized or assessed by the Illinois Department of Revenue for calendar year 2006, the following taxes:

(a) The following amounts of school taxes levied by the 2005-2006 School Tax Levy Resolution for the Board's 2005-2006 Fiscal Year, which are required to be extended for collection, in order to provide the necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

For Educational Purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses

\$ 85,416,132

(b) The following amounts of school taxes levied by the 2006-2007 School Tax Levy Resolution for the Board's 2006-2007 Fiscal Year, which are required to be extended for collection, in order to provide the necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

<p>For Educational Purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses ("Educational Purposes")</p>	<p>\$ 1,409,400,000</p>
<p>Public Building Commission Operating and Maintenance Levies (as set forth in the 2006-2007 School Tax Levy Resolution), including for loss and cost of collection</p>	<p>\$ 362,500,000</p>
<p>For the purpose of paying tort judgments and settlements; paying costs of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance or joint self-insurance program, and educational, inspectional and supervisory services directly relating to loss prevention and loss reduction; discharging obligations under Section 34-18.1 of the School Code, 105 ILCS 5/34-18.1; paying the cost of risk management programs; establishing reserves for executed losses for any liability or loss as provided in 745 ILCS 10/9-107; and protection against and reduction of liability or loss as described above under Federal or State statutory or common law, the Workers' Compensation Act, Workers' Occupational Disease Act, and the Unemployment Insurance Act ("Liability Protection Purposes")</p>	<p>\$ 54,600,000</p>

2. The aggregate amount of school taxes which are to be extended for collection in calendar year 2007, as set forth in Section 1 of this Certificate, are as follows (but such amounts shall always be subject to the limiting provisions set forth below):

For Educational Purposes as described in Section 1 of this Certificate	\$ 1,494,816,132
For Public Building Commission Operating and Maintenance Levies as described in Section 1 of this Certificate	\$ 362,500,000
For Liability Protection Purposes as described in Section 1 of this Certificate	\$ 54,600,000

Provided, however, the total amount of the levy for Educational Purposes for the Board's Fiscal Year 2006-2007, which you shall extend for collection in calendar year 2007, shall be limited to an amount, such that the amount to be extended for collection for Educational Purposes as set forth in Section 1 of this Certificate does not exceed the sum of (a) 3.07%, and (b) the difference between .50% and the rate for taxes extended by the Chicago School Finance Authority for calendar year 2007, measured by the value of taxable property as equalized or assessed for calendar year 2006, as determined by you and certified to the Board, pursuant to and in accordance with the proviso set forth in Section 18-110 of the Property Tax Code, 35 ILCS 200/18-110, of the value of all taxable property within the City, as equalized and assessed by the Illinois Department of Revenue for calendar year 2006. If required, you shall, as provided by said Section 18-110 of the Property Tax Code, disregard any such excess of the amount as set forth in Section 1 of this Certificate to be extended for collection in calendar year 2007 and treat only the residue as certified by the Board for extension.¹

3. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2007 for the purpose of providing revenue for the payment of rent provided for in various leases entered into between the Board and the Public Building Commission of Chicago. You are directed to extend these taxes for collection in calendar year 2007, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes.

4. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2007 for the purpose of paying principal and interest on Unlimited Tax General Obligation Bonds (Dedicated Revenue) Series 1996, 1997, 1997A, 1999A, 1999C, 2000A, 2000B, 2000C, 2000D, 2001A, 2001C, 2002A, 2003A, 2003B, 2003D, 2004A, 2004B, 2004C, 2004D, 2004E, 2004F, 2004G, 2004H, 2005A, 2005B, 2005C, 2005D, 2005E, 2006A and 2006B. You are directed to extend these taxes for collection in calendar year 2007, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes.

¹ Provided, however, that with regard to school taxes for Educational Purposes, you shall extend for collection in calendar year 2007, any and all portions of the taxes levied for the Board's 2006-2007 Fiscal Year, as set forth in Section 1 of this Certificate, if the extension for collection in calendar year 2007 of such taxes or portions thereof is authorized, permitted or mandated by law.

5. Any reduction in extensions required by the Property Tax Extension Limitation Law shall be taken solely from the extension for Educational Purposes, except as subsequently directed by the Controller.

Dated : December 20, 2006

Daryl J. Okrzesik
CONTROLLER
BOARD OF EDUCATION OF
THE CITY OF CHICAGO