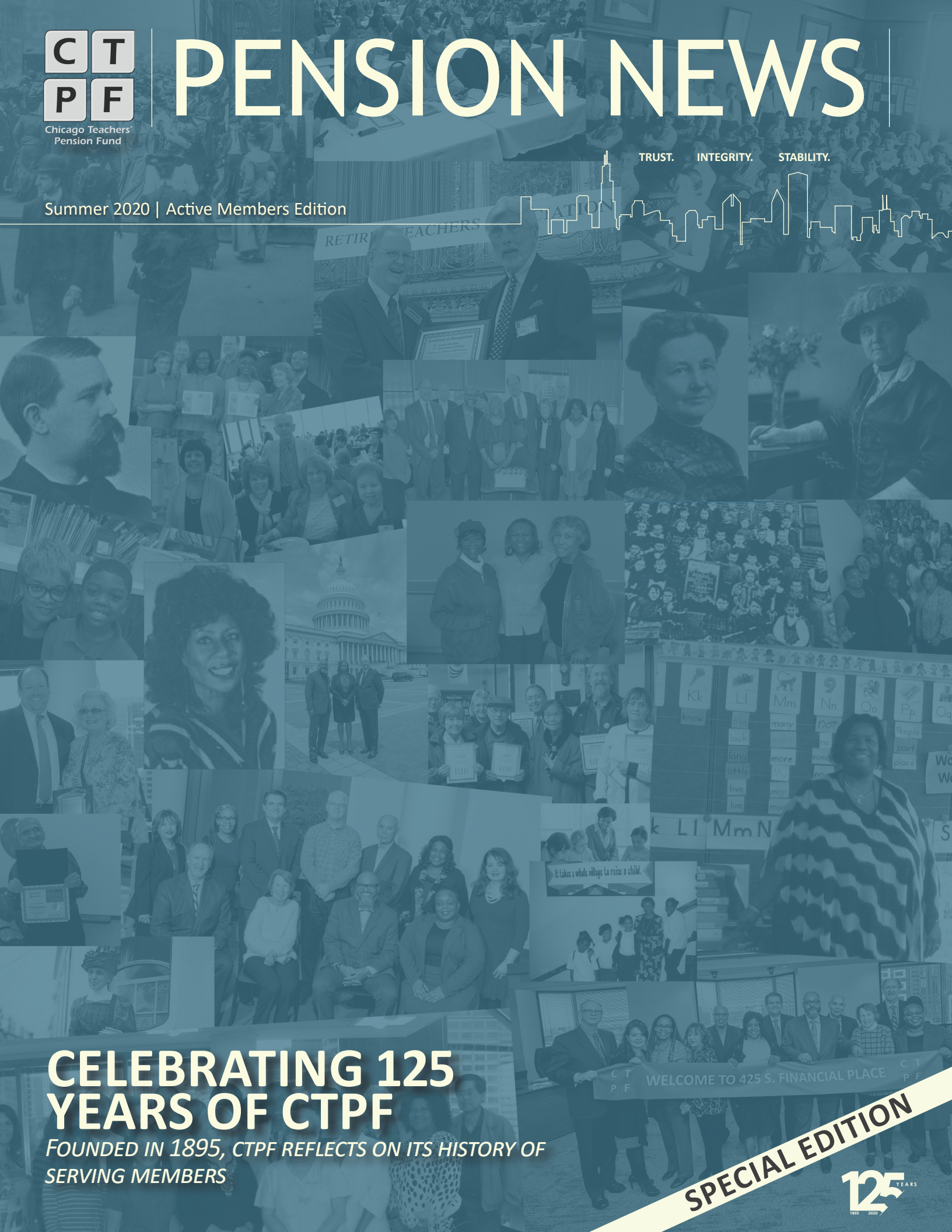


# PENSION NEWS

TRUST. INTEGRITY. STABILITY.

Summer 2020 | Active Members Edition



## CELEBRATING 125 YEARS OF CTPF

FOUNDED IN 1895, CTPF REFLECTS ON ITS HISTORY OF SERVING MEMBERS

SPECIAL EDITION



# MISSION STATEMENT

To provide, protect, and enhance the present and future economic well being of members, pensioners and beneficiaries through efficient and effective management of benefit programs, investment practices, and customer service, and to commit to earning and keeping the respect and trust of the participants through quality service and by protecting retirement benefits, in compliance with applicable laws and standards.

# Issue Highlights

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# EXECUTIVE DIRECTOR'S MESSAGE

At CTPF, we have remained **FLEXIBLE** and **DEDICATED** to **MEETING THE NEEDS OF MEMBERS** and each other.



Charles A. Burbridge  
Executive Director

This year we are being challenged like never before as we confront two life-threatening public health crises: COVID-19 and the centuries-old racism that continues to afflict our nation.

There is an urgent need to eradicate racism. Make no mistake, we have a long way to go. The challenges we face will continue to test all of us to our very core. CTPF recognizes that knowledge and understanding of diversity is the cornerstone of who we are as an organization. As we celebrate our 125th anniversary this year, we acknowledge that for 125 years we have made equality a priority and reaffirm our commitment to making this a priority into the future. CTPF strives to set an example that having inclusion and diversity as a part of an organization's culture and processes is not only the right thing to do but is the most prudent thing to do to secure a financially successful organization.

We are making progress on COVID-19, having successfully flattened the curve and entered Phase 4 of the Restore Illinois plan. While the State of Illinois and the City of Chicago have significantly loosened restrictions, no one wants to see the state backslide into another lockdown. Governor Pritzker intends to keep the state in phase four until there is a COVID-19 vaccine, so we're in this for the

long-haul. We will continue to rethink how we work, live, and play.

Bending the arc of the moral universe and flattening the curve of COVID do not happen by themselves. We make the arc bend, and we flatten the curve. Each day we can do more of both.

As we continue to ask questions and seek answers, we also recognize that we have hard work ahead of us. We will continue to push forward and reinvent ourselves as a society and in our workplace. As I search for signs of hope right now, I think about our dedicated employees who have shown up for work each and every day to serve you, our members, over the last few months to provide uninterrupted service to our members. I am inspired by the CPS graduates and the dedicated teachers who displayed strength and resilience over these last few months as their work was interrupted. I am honored to extend congratulations to the teachers who are retiring this year.

I am proud that CTPF pensions are secure and we continue to manage member funds wisely. While things may look and feel different, our work continues. It is a blessing to be able to celebrate accomplishments big and small.

I have absolute faith in our ability to get through these crises together. Amidst our shared pain, we continue to plan for our new normal. At CTPF, we have remained flexible and dedicated to meeting the needs of members and each other. Thank you for your trust. Be safe and well.

## FUND FACTS



One of **646** public pension systems in Illinois

Oldest in Illinois (1895)  
47.5% Funded



CTPF is independent, governed by **12** Trustees

Six elected by active members, three elected by pensioners, one elected by the principals/administrators, and two appointed by the Board of Education.

# NOTICE OF ANNUAL TRUSTEE ELECTIONS

CTPF is governed by a 12-member Board of Trustees: six elected by active members, three elected by pensioners, one elected by the principals/administrators, and two appointed by the Board of Education.



**CTPF will hold elections for two (2) Teacher Trustees to serve three-year terms from November 2020-2023.**

At the August 20, 2020, meeting of the CTPF Board of Trustees, changes were made to the CTPF Election Policy to allow for online signature of candidate petitions and distribution of voting credentials to Teachers' home addresses.

## TEACHER TRUSTEE CANDIDATE ELIGIBILITY

Individuals who wish to run for office must meet the following criteria as of October 1, 2020:

1. Be a CTPF Member, other than a Principal/Administrator, as defined by the Illinois Pension Code (40 ILCS5/17-106);
2. Have been assigned on a regular certificate for at least 10 years in the Chicago Public Schools or Charter schools within District 299 (this includes anyone who is licensed and has worked in the Chicago Public Schools or Charter Schools for at least 10 years on a regular certificate, including as a substitute); and
3. Be nominated by a petition signed by at least 200 contributors who are not Principal/Administrators, as provided in 40 ILCS 5/17- 139(1). Due to the pandemic, CTPF members will have the option of signing online or paper petitions.

## NOMINATION PACKETS

Contact Gail Davis at 312.604.1400, ext. 402, or email [elections@ctpf.org](mailto:elections@ctpf.org) to request a packet. Completed nomination packets must be returned to CTPF between September 16 and October 1, 2020, at 5:00 p.m., (CT). Nominating petitions received after the deadline will not be accepted. During the pandemic, U.S. mail processing may be delayed. Send nominating petitions by fax 312.641.7185 or email an attachment (.JPG or .PDF format) to [imaging@ctpf.org](mailto:imaging@ctpf.org) to ensure processing.

## ELIGIBILITY CRITERIA FOR VOTERS

Teachers who are not administrators shall be eligible to vote for Teacher Trustees in accordance with Sections 17-138 and 139. Every Member must have obtained that voter eligibility status on or before October 1, 2020.

## SCHEDULE OF ELECTION EVENTS

<b>February 18, 2020</b>	Nomination packets available.
<b>September 15, 2020</b>	Last day to request nomination packets. Packets must be requested by 5:00 p.m. (CT).
<b>September 16, 2020</b>	First day for Teacher Trustee candidates to submit completed nomination petitions.
<b>October 1, 2020</b>	Last day to submit nomination packets. Completed nomination packets due to CTPF at 5:00 p.m. (CT).
<b>November 2-6, 2020</b>	Online voting available through November 6, 2020, at 5:00 p.m. (CT).
<b>November 6, 2020</b>	Voting closes at 5:00 p.m. (CT).
<b>November 19, 2020</b>	Trustees sworn in during the CTPF Board of Trustees meeting.

## CALENDAR

*Due to the pandemic, Board of Trustees meetings are being held online by video conference. Visit [ctpf.org](http://ctpf.org) for access instructions.*

### SEPTEMBER

- 7 Labor Day Holiday | CTPF Closed
- 15 Last day to request CTPF Teacher Trustee nomination packets.
- 17 Board of Trustees Meeting | 9:30 a.m.

### OCTOBER

- 1 Last day to submit CTPF Teacher Trustee Election packets.
- 15 Board of Trustees Meeting | 9:30 a.m.

### NOVEMBER

- 2-6 Online voting for CTPF Teacher Trustee Election
- 11 Veterans Day | CTPF Closed
- 19 Board of Trustees Meeting | 9:30 a.m.
- 26 Thanksgiving Holiday | CTPF Closed
- 27 Thanksgiving Holiday | CTPF Closed

### DECEMBER

- 17 Board of Trustees Meeting | 9:30 a.m.
- 25 Christmas Holiday | CTPF Closed

*This calendar includes CTPF Board of Trustees meetings. Find a full list of meetings, event registration, and confirm meeting times and dates at [ctpf.org/calendar](http://ctpf.org/calendar).*

## OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund  
 425 S. Financial Place | Suite 1400  
 Chicago, IL 60605-1000  
 312.641.4464 | fax: 312.641.7185  
[ctpf.org](http://ctpf.org) | [memberservices@ctpf.org](mailto:memberservices@ctpf.org)  
 Hours: 8:00 a.m. – 5:00 p.m. | M-F

# Celebrating 125 Years of Service

1895 2020

February 16, 1895, State Representative William C. Eakins of Chicago introduced a bill to the Illinois General Assembly “for the purpose of establishing a fund to be used to pension school teachers.” The legislation, authored by Charles Thornton, chair of the Chicago Public Schools Board of Trustees, gave the teachers of Chicago permission to establish a self-funded pension system. Pensions for teachers had been discussed in Illinois for decades, but this was the first time that the State legislature had taken action.

The legislation received widespread support and became law on July 1, 1895. The law helped to establish a system which would ensure the financial stability and dignity of teachers in retirement, not just in Chicago, but in the State of Illinois.

## A PAGE FROM CTPF'S HISTORY

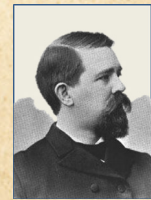
### HAPPY ANNIVERSARY TO CTPF!

July 1, 2020, CTPF celebrated its quasiquicentennial (125<sup>th</sup> anniversary). Throughout 2020, CTPF will commemorate this milestone of serving members, constituents, community, and citizens of Illinois with distinction.

**1895**

Friday, May 29, Illinois General Assembly passes a pension bill with “great enthusiasm” with a vote of 116 to 3. The first pensions are 100% teacher funded with a 1% compulsory withdrawal from salary. Maximum pension is set at \$600 per year.

Monday, July 1, Pension law in force. Governance of the Fund is managed by the Board of Education, Superintendent of Schools, and two elected representatives from the teachers and employees.



Charles Thornton, the “father” of pension legislation, named first President of the Pension Fund.

**1896**

Sixteen women and one man are granted pensions.

Carolyn K. Sherman the Fund's first female President elected.

**1897**

At the November meeting the Committee on Finance presented the Fund's first financial Statement with income of \$82,160.25, expenses of \$19,490.49 and sets aside \$57,200 for investments.

**1900**

The Fund suffers from financial stress as the incoming receipts are not enough to meet the growing pension roles. The cash reserves are overdrawn by \$1,300. The Fund sells assets to pay pensions. November 10, a group of teachers demand that the Pension Board hire an actuary to examine the pension law and to recommend changes that will ensure solvency.

**1901**

The actuary finds the current law inadequate to sustain pensions and recommends revisions.

**1905**

The Board reorganizes with activist Jane Addams elected President. Addams pursues a new version of the pension law which will ensure sustainable benefits.



**1907**

May 13, The Chicago Tribune reports, “Joy for the Teachers” who were “jubilant” over the passage of two pension bills. One bill reorganized benefits and granted teachers an elected Board of Trustees which included 6 members elected by teachers and 3 from the Board of Education. The second allowed the Board of Education to make contributions to the Fund from interest accumulated on education funds. This was the first time funding for pensions would come from sources other than teachers.

**1911**

Legislation allowed the board of education to add an amount equal to the deduction from salaries for pensions.

**1914**

The Fund secures its own office on the sixth floor of the Tribune Building, Room 630.

**1917**

Otis-Muller Bill provides Tenure upon three years of employment.

**1921**

July 21 the pension amount was raised from \$400 to \$600 and disability pensions were authorized after 12 years of service.

**1922**

January 1, first annual tax levied to pay for pensions, collected in 1923.



Miss Inger M. Schjoldoger was the first President of the Board of Trustees elected under new rules which allowed Trustees to elect a President. Previously, the Chairman of the Finance Committee of the Board of Education held the position.

**1929**

Stock market crash of 1929 sets off the Great Depression.

**1933**

The first full time employee devoted to the Fund is hired, Robert B. Calloway, a clerk, was paid \$150 per month.

**1936**

Pension Fund office was located at 228 N. LaSalle Street and remained here until 1982.

**1953**

A Widow's pension is instituted for individuals married at least 7 years.

**1964**

Consistent with recent changes in the Illinois Pension Code, February, 21, 1964, the Committee on Investments issues a policy allowing and governing common stock investments, recommending a group of domestic investments from several industries including automobile, bank, building, chemical, drug, electrical products, food, machinery, metals, oil, paper, retail, steel and utilities.

**1972**

Pensions were exempted from state income tax.

**1977**

Robert Wilke elected President, and goes on to become the Fund's longest serving President, leaving office in 1989 after 12 years.

**1987**

Public Act 85-964 allows for the pension fund to pay a portion of health insurance cost.

**1988**

Changes in the law deny pension benefits to any member convicted of a felony arising out of or in connection with service as a teacher.

**1991**



Barbara Caldwell the Fund's first African-American President, elected (1991-1993).

**1992**

CTPF moves to 55 West Wacker Drive.

**1995**

The Board of Education redirects the pension tax levy to their operating budget, kicking off nearly a decade of underfunding for CTPF pensions. CPS promises to resume payment to the CTPF when the funded ratio falls below 90%. The State of Illinois agrees to contribute 20-30% of the contribution made to downstate/suburban teachers pensions.

**1996**

CPS failed to make regular pension contributions for nearly a decade (1996-2005), a pension “holiday” which cost CTPF \$2 billion in contributions.

**1997**

Charter schools are formed in Chicago and qualifying employees are required to participate in the Fund.

**2002**



Maria J. Rodriguez the Fund's first Hispanic President, elected (2002-2004).

**2005**

May 20, 2005, CTPF moves to 203 North LaSalle Street, 26th floor.

**2006**

CTPF launches *ctpf.org*

**2010**

Tier II pensions created for workers hired on or after January 1, 2011.

Legislation also reduces CPS pension payments \$1.2 billion from 2010-12.

**2011**

CTPF sends first email communication to members.

**2013**

Legislation establishes a Pension Officer at each charter school.

**2017**

Public Act 99-521 reestablished the CTPF tax levy. Public Act 100-465 changed the Illinois education funding formula, established the State's obligation to fund the normal cost of Chicago's teacher pensions, and provided health insurance fund.

**2018**



Jeffery Blackwell the Fund's first African-American male President, elected (2018-present)

**2019-2020**

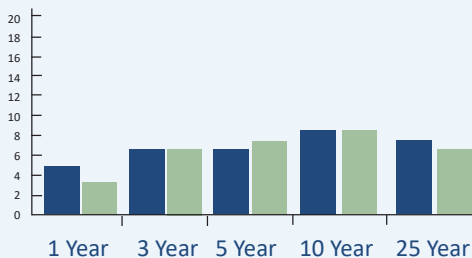
CTPF moves to 425 S. Financial Place in the South Loop. Dedicating priority space for serving members.

# Financial Snapshot

## RETURN ON INVESTMENTS

As of June 30, 2020

	NET RATE OF RETURN	TOTAL FUND BENCHMARKS
1 Year	4.20%	3.48%
3 Year	6.03%	6.04%
5 Year	6.25%	6.28%
10 Year	8.82%	8.59%
25 Year	7.52%	7.18%



RATE OF RETURN  
 TOTAL FUND BENCHMARKS

As of June 30, 2020, the approximate current value of CTPF's investments was \$10.7 billion.



# CTPF CELEBRATES 125<sup>TH</sup> ANNIVERSARY

The Chicago Teachers' Pension Fund (CTPF) is celebrating its quasiquintennial (125<sup>th</sup> Anniversary) in 2020.

CTPF Trustees launched the anniversary year by passing a resolution on January 16, 2020, in honor of the Fund's 125<sup>th</sup> Anniversary. The quasiquintennial provides a unique opportunity to reflect on the rich history of the Fund. The occasion was recognized by the General Assembly with HR 698 and a Senate Proclamation honoring 125 years of continuous operations. "CTPF has garnered respect for the excellent and transparent financial stewardship of public funds. The Trustees have set sound and responsible investment policies since inception," said CTPF Board of Trustees President Jeffery Blackwell. "As we mark the quasiquintennial of CTPF, we appreciate all of those who have been involved with the evolution, administration, and management of the Fund over the last 125 years. We celebrate our continued resilience and sustainability as a Fund that is focused on caring for our dedicated CPS educators past and present."



Established on July 1, 1895, the Fund was established as the first teachers' pension system in Illinois and the second in the nation. The pension plan was seen as an important way to help attract and retain professional teachers and to ensure their financial stability and dignity in retirement. The Fund began with 8,000 members and today includes more than 88,000.

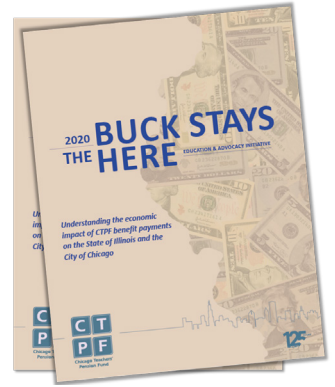
## CTPF BOARD OF TRUSTEES PRESIDENTS

Since its inception, the Fund has been governed by a volunteer Board of Trustees. CTPF is grateful for the hundreds of individuals who have served the Board during the past 125 years. Past Presidents include:

- |                                       |  |
|---------------------------------------|--|
| <b>1895-1896</b> Charles Thornton     | <b>1937-1938</b> Arline Mayhew         |
| <b>1896-1896</b> Carolyn K. Sherman   | <b>1938-1942</b> Ida Nicely Lillis     |
| <b>1896-1897</b> Joseph W. Errant     | <b>1942-1951</b> Henry G. Gellen       |
| <b>1897-1898</b> P. F. Pettibone      | <b>1951-1957</b> Susan Scully          |
| <b>1898-1899</b> George E. Adams      | <b>1957-1959</b> Arthur R. Petrie      |
| <b>1899-1901</b> Frank J. Loesch      | <b>1959-1961</b> George O. Meierdierks |
| <b>1901-1903</b> John T. Keating      | <b>1961-1965</b> Laura M. Light        |
| <b>1903-1905</b> Joseph Stolz         | <b>1965-1970</b> Ann M. Lally          |
| <b>1905-1907</b> Jane Addams          | <b>1970-1977</b> John N. Ryan          |
| <b>1907-1910</b> Louie L. Kilbourn    | <b>1977-1989</b> Robert T. Wilkie      |
| <b>1910-1913</b> Mary E. Vaughn       | <b>1989-1991</b> Judy Cheris           |
| <b>1913-1913</b> William Rothmann     | <b>1991-1993</b> Barbara Caldwell      |
| <b>1914-1917</b> Charles S. Peterson  | <b>1993-1993</b> Robert Konen          |
| <b>1917-1921</b> George B. Arnold     | <b>1993-2002</b> Mary Sharon Reilly    |
| <b>1922-1923</b> Hart Hanson          | <b>2002-2002</b> Patricia A. Knazzee   |
| <b>1923-1923</b> Julius F. Smietanka  | <b>2002-2004</b> Maria J. Rodriguez    |
| <b>1923-1927</b> Inger M. Schjoldoger | <b>2004-2005</b> Patricia A. Knazzee   |
| <b>1927-1928</b> Mary A. Swett        | <b>2005-2011</b> John F. O'Brill       |
| <b>1928-1934</b> Mary E Dutton        | <b>2011-2018</b> Jay C. Rehak          |
| <b>1934-1937</b> Mary B. Livingston   | <b>2018-Present</b> Jeffery Blackwell  |

# 2020 ECONOMIC IMPACT

CTPF has released its 2020 Economic Impact Study, *The Buck Stays Here*. The report examines the impact that CTPF educators have outside the classroom, and the economic benefit pensions have on the City of Chicago and the State of Illinois. The report found that 83 percent of CTPF's annuitants stay in the State of Illinois.



CTPF annuitants are responsible for approximately \$1.4 billion in economic impact which helps to support 13,134 jobs in Illinois. The study used standard economic multipliers from the U.S. Department of Commerce Bureau of Economic Analysis to assess the economic impact of spending.

## YOUR IMPACT

CTPF members make an impact that extends far beyond the classroom – active and retired educators are also consumers, taxpayers, voters, and investors – who live and work primarily in Chicago and surrounding communities.



**\$1.4 BILLION**

in direct pension payments made to annuitants living in Illinois

RESULTS IN...



**\$1.98 BILLION**

in total economic impact in Illinois

Every dollar paid out in pension benefits generates \$1.41 in economic activity for the State – a solid return in any economy.

In tough economic times, pensions matter even more – because pensioners with guaranteed income can continue to spend.

*CTPF calculates estimates of total economic impact and jobs supported by multiplying benefit payments by total output multipliers supplied by the U.S. Department of Commerce, Bureau of Economic Analysis.*



The full report and information sheets by House district, Senate district and Chicago Ward are available at [ctpf.org](http://ctpf.org)

# COVID-19 REMOTE OPERATIONS

CTPF is committed to doing our part to stop the spread of COVID-19. For the health, safety, and well-being of all CTPF Members, the Fund continues to deliver all member services remotely. The physical office remains closed to all but essential employees whose duties cannot be performed offsite. In-person services and counseling have been suspended until it is safe to resume these operations.

## MAIL PROCESSING

During the pandemic, U.S. mail processing may be delayed. Send benefit applications, forms, and documents by fax 312.641.7185 or email an attachment (.JPG or .PDF format) to [imaging@ctpf.org](mailto:imaging@ctpf.org) to ensure processing. Need help scanning without a scanner? Visit [ctpf.org/covid-19](http://ctpf.org/covid-19) for instructions on how to use your phone as a scanner.



## CONTACT MEMBER SERVICES

Member Services staff is answering questions and providing phone and video counseling. Call 312.641.4464 (leave a voicemail and your message will be returned), or email [memberservices@ctpf.org](mailto:memberservices@ctpf.org) for assistance. All calls will be forwarded to voicemail. Leave a message clearly stating your name, phone number, and the nature of your inquiry. Your call will be returned as soon as possible.



## REMOTE NOTARY AVAILABLE

While CTPF accepts many documents via email or fax, the requirement for a notary to witness signatures remains in place for certain documents. CTPF now offers remote notarization for CTPF documents. Members who would like to use remote notary services should call or email Member Services at 312.641.4464 (leave a voicemail and your message will be returned), or [memberservices@ctpf.org](mailto:memberservices@ctpf.org), and request a zoom video conference for notarization.



## FUND FACTS CONT.



CTPF Membership includes more than **88,000 members** serving Chicago's public/charter school teachers, administrators, certified personnel, and CTPF staff.



CTPF earns revenue from investments and receives contributions from the State of Illinois, a tax levy, CPS, and employees

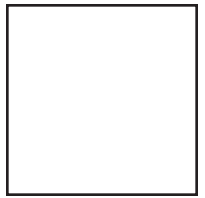


CTPF members do not contribute to Social Security during employment by CPS and other participating employers. Employee contributions are **9%** of pensionable earnings.



**Chicago Teachers' Pension Fund**

425 S. Financial Place | Suite 1400  
Chicago, Illinois 60605-1000



**FOLLOW US!** | **SIGN UP!**   
   **EMAIL UPDATES:**  
[www.ctpf.org](http://www.ctpf.org)



## TOWN HALL WEBINAR

CTPF offers quarterly, Town Hall webinars which share up-to-date information about the Fund and its operations. The webinars generally last about 40 minutes and require registration in advance.



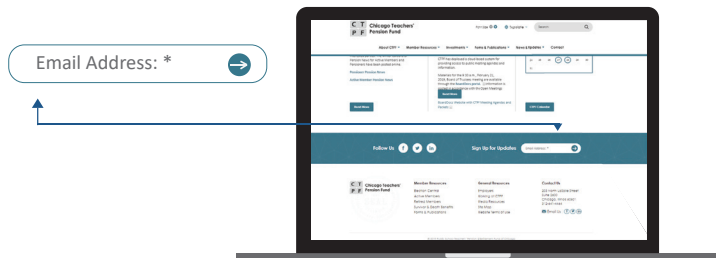
Find upcoming webinar and register for a webinar at [ctpf.org/calendar](http://ctpf.org/calendar).

Recordings of previous Town Hall Webinars are available on demand at [ctpf.org](http://ctpf.org).

## REGISTER YOUR EMAIL WITH CTPF

Registering your email address with CTPF means you'll always receive current information including election reminders and monthly E-News.

Register your email using the "Sign up for updates" field on the banner at the bottom of the homepage at [ctpf.org](http://ctpf.org).



## BOARD OF TRUSTEES

**Jeffery Blackwell**  
*President*

**Mary Sharon Reilly**  
*Vice President*

**James Cavallero**  
**Gervaise Clay**  
**Miguel del Valle**

**Lois Nelson**  
**Tina Padilla**  
**Maria J. Rodriguez**

**Jerry Travlos**  
**Dwayne Truss**

**Charles A. Burbridge**  
*Executive Director*

**Gregory Redfeairn**  
*Financial Secretary*

**Jacquelyn Price Ward**  
*Recording Secretary*