

PENSION NEWS

Spring 2019 | Active Members Edition

TRUST. INTEGRITY. STABILITY.

+ CTPF ON THE MOVE: AUTUMN 2019

*MOVING TO A NEW LOCATION IS OPTIMAL,
BOTH FINANCIALLY & OPERATIONALLY*

2019 TRUSTEE ELECTIONS

NOMINATION PACKETS NOW AVAILABLE

CTPF MAKES AN IMPACT

*2019 ECONOMIC IMPACT
STATEMENT RELEASED*



Retirement
Applications

RETIREMENT REMINDERS

THE CLOCK IS TICKING FOR JUNE RETIREES

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.

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EXECUTIVE DIRECTOR'S MESSAGE

We look forward to continuing to create **LASTING INITIATIVES** that will effect **POSITIVE CHANGE** for the Fund and drive **VALUE** and **SUCCESS** for members today and for the next **125 YEARS**.



Charles A. Burbridge
Executive Director

This July 1st we begin a new fiscal year, and we mark an important milestone as we enter our 125th year of continuous operation. More than 40 years before Social Security was established, our pension fund provided for the retirement of Chicago's teachers. Long-term planning, careful asset allocation, and strategic investments have allowed us to provide secure retirements for hundreds of thousands of educators since 1895.

Today, more than ever, we recognize that fiscal health and well-being is also tied to effective management, streamlined operations, transparent communications, and excellent customer service. As such, we have adopted new technologies and processes to better serve our members.

A year ago, we redesigned and relaunched the CTPF website, our most critical communication tool. This once-in-a-decade upgrade involved extensive input from members and collaboration among every department. The new website offers a multitude of improvements, including a more intuitive navigation, a cleaner design,

and search capabilities. As we are always working to improve our services, we again seek your feedback. Please complete our post-launch website survey, ctpf.org/survey.

Our 125th year also finds us on the move. After nearly 15 years at our current location, CTPF has signed a lease for space at 425 South Financial Place and will move this autumn. Based on extensive analysis, the Board of Trustees determined that moving the Fund to a new location is optimal, both financially and operationally. Our priorities included cost, proximity to public transportation and easy access for drivers, fully handicapped accessible property, safety and security, and access to conference rooms and meeting space for member-facing events. We are pleased that we were able to achieve all of our goals. The new space will allow us to better serve our team and our members. We have established an information page, ctpf.org/onthemove, where we will provide frequent updates as the move date gets closer.

We look forward to continuing to create lasting initiatives that will effect positive change for the Fund and drive value and success for members today and for the next 125 years.

CTPF WEBSITE LAUNCH: ONE YEAR LATER

CTPF launched its new website in June 2018 at ctpf.org and it has quickly become the "go to" place for news and information about the Fund.

SHARE YOUR THOUGHTS

CTPF has designed a survey to gather your feedback on our newly launched website so that we can continuously improve and enhance the features we offer our members. Please take a moment to complete the survey, ctpf.org/survey.

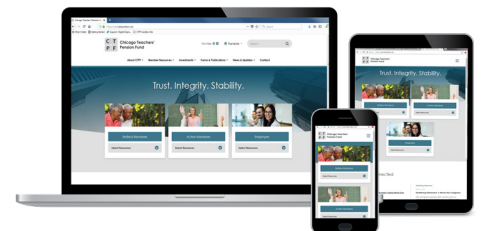


300,000+
Total page views since launch

Quick Highlights!



Monthly Pension Calculator
The most popular feature on our website



CTPF ON THE MOVE: AUTUMN 2019

After an exhaustive search for new space, a lease for space at 425 South Financial Place, Chicago, IL, was finalized this spring. Based on extensive analysis, the CTPF Board of Trustees determined that moving the Fund to a new location is optimal, both financially and operationally. A majority of the cost of the move will be covered by the Tennant Improvement Allowance. CTPF estimates savings of about 14% per year compared to the cost of the current location. Overall, CTPF estimates savings of \$3.8 million over the next 15 years.

“When considering the move our priorities included cost, proximity to public transportation and easy access for drivers, a fully handicapped accessible property, security and safety for members, staff and visitors, and access to conference rooms and meeting space,” stated CTPF Board of Trustees President, Jeffery Blackwell. “We are looking forward to moving to a more efficient space which will more effectively support our members.”

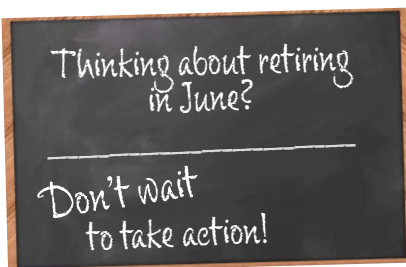
CTPF began the process of considering options for the renewal or relocation on March 22, 2017, when it issued a Request for Proposal for a real estate broker. The move is expected to be completed in November 2019. Find additional information online at ctpf.org/onthemove.



CTPF will move to 425 South Financial Place this autumn.

RETIREMENT REMINDERS

CTPF recently hosted four retirement seminars in February and March, attracting more than 750 members preparing for the retirement process. The seminars featured presentations from CTPF staff and the opportunity to meet with representatives from CTPF, the Chicago Public Schools, and the Social Security Administration.



If you're still considering a June retirement, now is the time to take action.

1. Download and complete a 2019 Retirement Application, visit ctpf.org/retirement-resources. Read and review the forms and collect your required documentation. An incomplete form will delay the processing of your retirement benefit.
2. Know your health insurance options. Employer-sponsored group health insurance coverage will end at retirement. Choosing a post-retirement health insurance plan for you and your eligible dependents is one of your most important retirement decisions. Now is the time to research your options and decide on a plan so your coverage continues without interruption. CTPF does not automatically enroll you in any post-retirement health insurance coverage.
3. Resign from your Employer. Your Employer has specific retirement forms which need to be filled out in addition to the CTPF application. CTPF cannot process your retirement benefits until your Employer provides confirmation of your resignation.
4. Stay informed. If you haven't already done so, sign up for email updates at ctpf.org and follow us on social media.

NEED RETIREMENT COUNSELING?

Members who need retirement counseling should schedule an appointment before coming to the CTPF office. Appointments are available, Monday - Friday from 8:00 a.m. - 4:00 p.m.

Call: 312.641.4464

Email: MemberServices@ctpf.org

Visit us online: ctpf.org



Calendar

JUNE

- 10 CTPF & Chicago Teachers Union Educational Workshop | 4:30 p.m.
- 17 Claims & Service Credits Committee Meeting | 2:30 p.m.
Combined Finance & Audit and Technology Committee | 5:00 p.m.
- 20 Board of Trustees Meeting | 9:30 a.m.
- 27 Investment Committee Meeting | 9:30 a.m.

JULY

- 4 Independence Day | Office Closed
- 10 Claims & Service Credits Committee Meeting | 4:30 p.m.
- 11 Finance & Audit Committee Meeting | 5:00 p.m.
- 18 Board of Trustees Meeting | 9:30 a.m.
- 25 Investment Committee Meeting | 9:30 a.m.

AUGUST

- 7 Claims & Service Credits Committee Meeting | 4:30 p.m.
- 15 Board of Trustees Meeting | 9:30 a.m.
- 21 Town Hall Webinar | 12:00 p.m.
- 22 Investment Committee Meeting | 9:30 a.m.
Technology Committee Meeting | 2:00 p.m.
Finance & Audit Committee Meeting | 4:30 p.m.

SEPTEMBER

- 2 Labor Day | Office Closed
- 11 Claims & Service Credits Committee Meeting | 4:30 p.m.
- 13 Last day to request CTPF Election Packet | 5:00 p.m.
- 16 First day for teachers to submit a completed nomination packet
- 17 Finance & Audit Committee Meeting | 5:00 p.m.
- 19 Board of Trustees Meeting | 9:30 a.m.

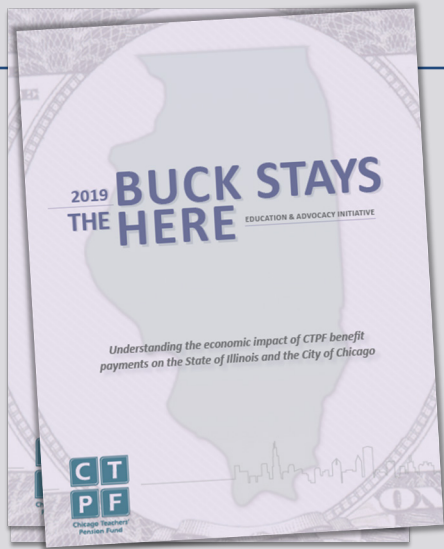
This calendar includes CTPF Board of Trustees and standing committee meetings.

Find a full list of meetings, event registration, and confirm meeting times and dates at ctpf.org/calendar.

OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund
203 North LaSalle Street | Suite 2600
Chicago, Illinois 60601-1231
312.641.4464 | fax: 312.641.7185
ctpf.org | memberservices@ctpf.org
Hours: 8:00 a.m. - 5:00 p.m. | M-F

2019 ECONOMIC IMPACT



The Chicago Teachers' Pension Fund (CTPF) released its 2019 Economic Impact Statement which documents the \$1.4 billion in direct payments to annuitants living in Illinois in 2018. Those payments had a \$2.0 billion impact on the Illinois economy, supporting 15,000 jobs in the state.

The Buck Stays Here: Understanding the Economic Impact of CTPF Benefit Payments on the State of Illinois and the City of Chicago is produced annually and details CTPF's impact on the State of Illinois and the City of Chicago. The report includes economic impact by legislative district and Chicago Ward. "This report quantifies the economic impact that CTPF has on the State of Illinois and the City of Chicago. We are proud to serve as an economic engine for the growth of our community and state," said Jeffery Blackwell, President, CTPF Board of Trustees. "Our members are active and important members

of their individual communities, and this report helps illustrate the impact they make throughout Illinois."

The report found that 84 percent of CTPF's annuitants who collect a pension stay in the State of Illinois, with nearly half of that number continuing to call Chicago home. CTPF annuitants residing in Chicago are responsible for approximately \$1.0 billion in total economic impact and support 7,640 jobs across the city.

CTPF also produces an individual information sheet for each Illinois Legislator and City of Chicago Alderman. The Fund mailed this information to all Legislators and Aldermen this spring.

Your IMPACT

Want to learn more about your neighborhood's economic impact?
CTPF offers individual information sheets by House, Senate district or Chicago Ward.

AN EDUCATOR'S IMPACT EXTENDS FAR BEYOND THE CLASSROOM

Active and Retired educators are also consumers, taxpayers, and voters – who live and work primarily in Chicago and surrounding communities. CTPF pension payments create a positive impact on the Illinois economy.



The full report and information sheets are available at: ctpf.org



\$700 MILLION
in direct pension payments made to annuitants living in Chicago

RESULTS IN...

\$1.0 BILLION
in total economic impact in Chicago

View the full report for more Economic Impact facts. 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.

District	Rep.
District 1	Rep. Anthony Madonia (D)
District 2	Rep. Mike Austin (D)
District 3	Rep. Mark Harris (D)
District 4	Rep. Anthony A. Lipinski (D)
District 5	Rep. Anthony LaTurno (D)
District 6	Rep. Mike Collins (D)
District 7	Rep. Heather A. Smith (D)
District 8	Rep. Ron Williams (D)
District 9	Rep. Laura Lee (D)
District 10	Rep. John A. Madigan (D)

CTPF PENSIONS MATTER

DISTRICT 1
Anthony Madonia (D)
Illinois State Senator

1. CTPF EDUCATORS DO NOT CONTRIBUTE TO SOCIAL SECURITY DURING EMPLOYMENT AND MUST PAY FOR HEALTH INSURANCE WHEN THEY RETIRE.

2. INADEQUATE FUNDING, NOT OVERLY GENEROUS BENEFITS, STRESSED THE PENSION SYSTEM.

3. NEWBORN CREATES A POSITIVE IMPACT ON ILLINOIS' ECONOMY.

FUND FACTS

Celebrating 125 Years

HIDING IN PLAIN SIGHT: ILLINOIS REAL ESTATE INVESTMENTS

The following iconic Chicago properties are examples of investments that CTPF has made through various managers in real estate throughout Chicago.



Aqua Tower
225 N. Columbus Drive



An aesthetically unique and functional 82-story mixed-use residential skyscraper in the Lakeshore East development in downtown Chicago. Designed by a team

led by Jeanne Gang of Studio Gang Architects, Aqua Tower combines a hotel, offices, rental apartments, condominiums, and parking, along with one of Chicago's largest green roofs.

The Gogo Building
111 N. Canal Street



A leading global aero-communications service provider, the Gogo Building has become a hub for companies looking to tap into the city's extensive talent

pipeline and its thriving tech scene. Other high-profile tenants include Potbelly sandwich chain, Twitter Inc. and Uber Technologies.

Prudential Roosevelt Collection
150 W. Roosevelt Road



A mixed use South Loop development which includes apartments and 326,000 square feet of dynamic retail space. The Roosevelt Collection features a

vibrant, kid-friendly open-air plaza and is home to premium retailers, restaurants and unique skyline views – an ideal spot to shop, relax, and enjoy Chicago.

Established in 1895, CTPF is the Oldest Pension Fund in Illinois

MEMBERS

28,958

Active Members

29,680

Inactive Members

28,549

Annuitants



About **75%** of members are women

Funding Your Pensions

All contributions from members, employers, the dedicated tax levy, the State of Illinois, and investment returns are invested by CTPF and paid to members as pensions upon retirement.



CTPF Members



Employers



Tax Levy



State of Illinois



Investment Returns



CTPF is a long-term investor. Over 35 years we have returned **8.66%** on our investments.



CTPF had **\$11.1 BILLION** in assets at the end of FY2018.

Why Pensions Matter

Pensions provide secure and stable retirements for teachers, administrators, and public school personnel, and provide an economic engine for our city and state.



9% of salary is contributed by CTPF members for their retirement pension

vs.

6.2% of salary is contributed by most Americans for Social Security retirement



CTPF's funded ratio fell from 100.8% in 1999 to 49.5% in 2013 and to **48.4%** in 2018. We are on track for 90% funding by 2059.

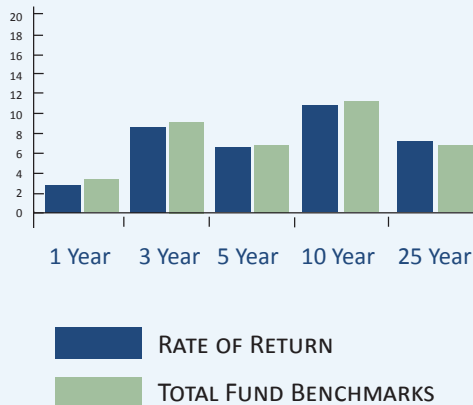
All data Fiscal Year 2018: July 1, 2017- June 30, 2018

Financial Snapshot

RETURN ON INVESTMENTS

As of March 31, 2019

	NET RATE OF RETURN	TOTAL FUND BENCHMARKS
1 Year	2.33%	3.81%
3 Year	8.28%	8.60%
5 Year	6.13%	6.23%
10 Year	10.50%	10.62%
25 Year	7.86%	7.60%



As of March 31, 2019, the approximate value of CTPF's investments was \$10.6 billion.



NOTICE OF ELECTION

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.



TEACHER AND PRINCIPAL/ADMINISTRATOR TRUSTEE ELECTION*

November 1-7, 2019, CTPF will hold elections for two Teacher Trustees and one Principal/Administrator Trustee who will serve from 2019-2022. All voting will be conducted online. Teachers in schools will receive ballot information from CTPF Pension Representatives. Citywide teachers who are not assigned to a school and principal/administrators will receive voting information by mail.

ELIGIBILITY

Candidates for Teacher Trustee must be a CTPF member, other than a principal/administrator, as defined in 40 ILCS 5/17-106, 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 be nominated by a petition signed by at least 200 contributors who are not principals/administrators. Voters in the election shall be teachers who are not administrators who have obtained that voter eligibility status on or before October 1, 2019.

Candidates for Principal/Administrator Trustee must be a CTPF member, other than a teacher as defined in 40 ILCS 5/17-106.1, and be nominated by a petition signed by at least 25 contributors who are principals/administrators. Voters in the election shall be principals/administrators who are not teachers who have obtained that voter eligibility status on or before October 1, 2019.

NOMINATION PACKETS AVAILABLE

Individuals who meet the criteria can request a nomination packet from February 15 until September 13, 2019. Call Gail Davis at 312.604.1400, ext. 402, or email elections@ctpf.org to request a packet. Completed nomination materials must be submitted to the CTPF office on or before the close of business at 5:00 p.m. (CT), October 1, 2019.

SCHEDULE OF ELECTION EVENTS

February 15, 2019	Nomination packets available
September 13, 2019	5:00 p.m. (CT), last day to request nomination packets
September 16, 2019	First day for teachers to submit completed nomination packets
October 1, 2019	Nomination packets for all elections must be received by 5:00 p.m. (CT)
October 18, 2019	Election materials mailed and online voting available for principal/administrators
November 1-7, 2019	Online voting available for Teacher Trustee election through November 7 at 5:00 p.m. (CT)
November 7, 2019	Voting closes for elections at 5:00 p.m. (CT)
November 21, 2019	Trustees sworn in during CTPF Board of Trustees meeting

*CTPF will also conduct an election for three Pensioner Trustees who will serve from 2019-2021. CTPF's official Election Notice and Election Policy can be found on the Election Central page at ctpf.org.

Popular Annual Financial Report Released

The Chicago Teachers' Pension Fund (CTPF) Board of Trustees has released its 2018 Popular Annual Financial Report (PAFR) which includes a summary of key information from the 2018 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

Highlights from the PAFR include:

- A condensed view of CTPF's audited financial statements.
- An overview of the Fund's investment performance including information about CTPF's ongoing commitment to diversity.
- A review of CTPF's funding history detailing the pension holidays and underfunding which have impacted CTPF's funded ratio.
- A CTPF "By the Numbers" section which highlights the Fund's service to members.

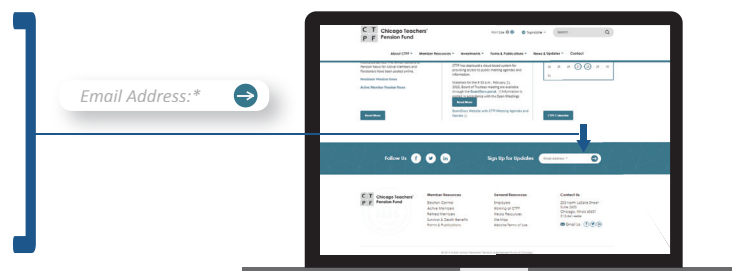


Find CTPF financial reports at ctpf.org

Register your Email with CTPF

Whether you are just starting your career, enjoying retirement or somewhere in-between, it's important to stay up-to-date on CTPF matters.

CTPF sends election reminders and important information by email. Register your email using the "Sign up for updates" field on the banner at the bottom of the page at ctpf.org.



STAFF UPDATES

HURTADO PROMOTED TO CHIEF LEGAL OFFICER



Daniel Hurtado joined the Fund in October 2018 as Associate General Counsel and was appointed Chief Legal Officer in April 2019. Hurtado previously served as General Counsel for the Executive Inspector General for the Agencies of the Illinois Governor. He began his legal career at Jenner & Block, where he served for 17 years as a commercial and civil rights litigator. Hurtado has served on the boards of directors of the Legal Assistance Foundation, the Chicago Legal Clinic, the Hispanic Lawyers Association, and the Chicago Lawyers Committee for Civil Rights. He served as President of the Hispanic Lawyers Association and Chair of the Chicago Lawyers Committee. He has received numerous awards for public service. Hurtado holds a BA from the University of Michigan, a MA from Northwestern University, and a JD from the Northwestern University School of Law.

DAVIS PROMOTED TO DIRECTOR OF ADMINISTRATIVE SERVICES

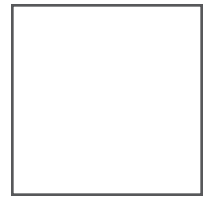


Gail Davis has been promoted to Director of Administrative Services. As a proud product of the Chicago Public Schools, Davis joined CTPF in October 1984. Initially serving as an Administrative Assistant, she has progressed through a variety of positions, each with increasing responsibilities, culminating in the most recent promotion. In her new role, Davis has added responsibilities which include coordinating the annual trustee elections, assisting with compliance to the Fund's record retention policy, and centralizing certain outgoing mail activities. She is also facilitating the upcoming CTPF office relocation. Davis continues her responsibilities in managing the CTPF office facilities as well as her decades-long support and commitment to the Board through her leadership of the dedicated Administrative Services team. Davis received a certificate in Leadership from Northwestern University's School of Professional Studies, and earned the Dale Carnegie Highest Achievement Award.



Chicago Teachers' Pension Fund

203 North LaSalle Street | Suite 2600
Chicago, Illinois 60601-1231



FOLLOW US! | **SIGN UP!** 



EMAIL UPDATES:
www.ctpf.org



DOES YOUR SCHOOL SHINE?

What is your school doing to be creative, innovative, and to make a difference for students and faculty?



Email your story about how your school stands out to socialmedia@ctpf.org and we may contact you for a School Spotlight feature.

Spread the Word

Know a new grad or have a friend or family member who is seeking employment? Consider joining our talented team at the Chicago Teachers' Pension Fund. Our Chicago-based group is looking for qualified candidates with a variety of abilities and skills, and we have multiple positions available.

CTPF is an Equal Opportunity Employer which offers a competitive salary and benefits package.

Find a complete listing of job opportunities at ctpf.org/jobs.

Stay In Touch this Summer

Register your email with CTPF.
See page 7 for details.



BOARD OF TRUSTEES

Jeffery Blackwell
President

Mary Sharon Reilly
Vice President

Robert F. Bures
James Cavallero
Gervaise Clay

Mark F. Furlong
Tina Padilla
Maria J. Rodriguez

Jerry Travlos
Gail D. Ward

Charles A. Burbridge
Executive Director

Gregory Redfeairn
Financial Secretary

Jacquelyn Price Ward
Recording Secretary