



# PENSION NEWS

Fall 2018 | Active Member Edition

TRUST. INTEGRITY. STABILITY.



## BOARD OF TRUSTEES VOTE

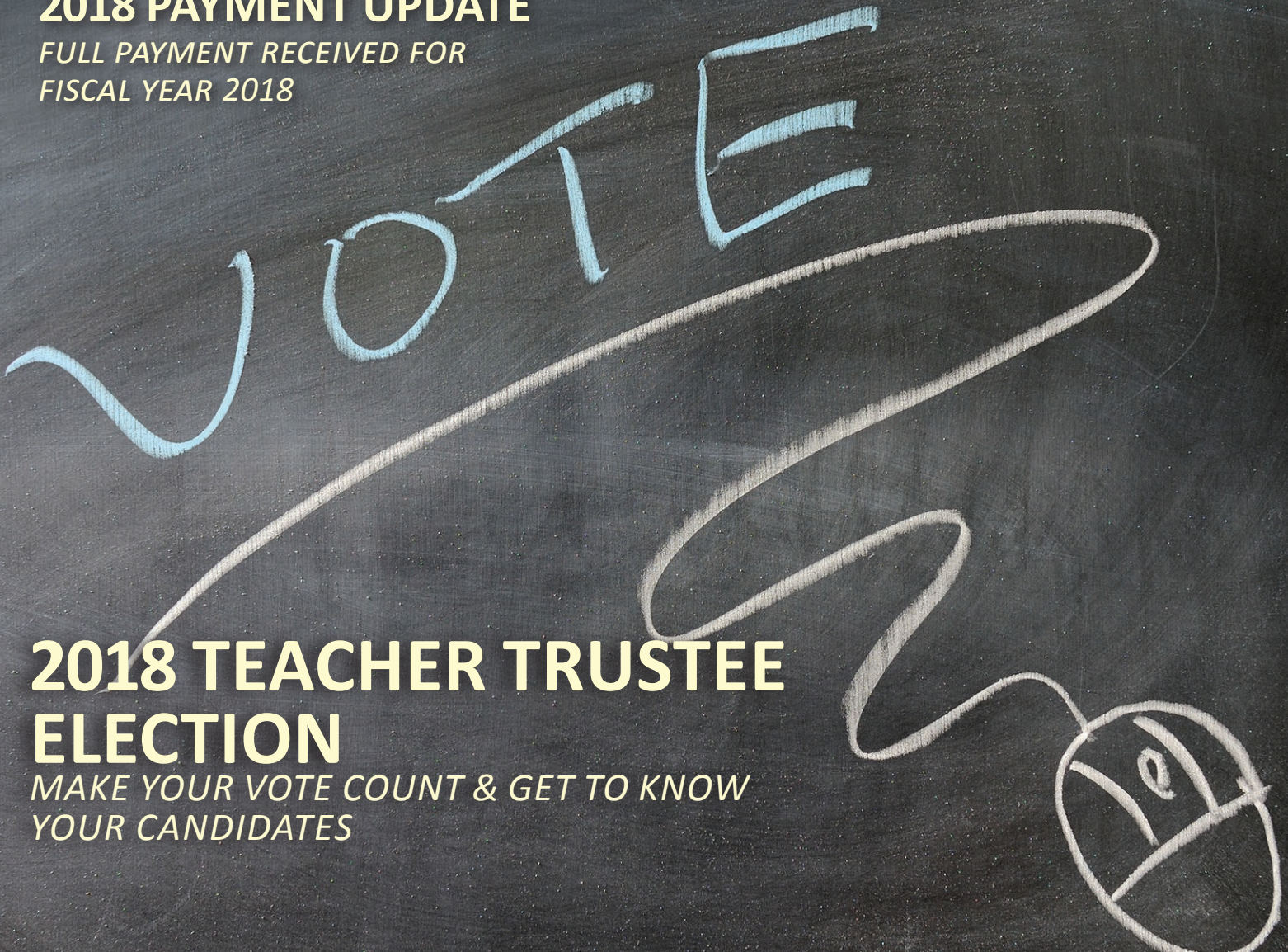
*DIVESTING FROM PUBLIC MARKET HOLDINGS IN  
PRIVATE PRISONS & DETENTION CENTERS*

## ANNUAL MEMBER STATEMENTS

*ALL ACTIVE MEMBERS WILL RECEIVE  
STATEMENTS THIS FALL*

## 2018 PAYMENT UPDATE

*FULL PAYMENT RECEIVED FOR  
FISCAL YEAR 2018*



## 2018 TEACHER TRUSTEE ELECTION

*MAKE YOUR VOTE COUNT & GET TO KNOW  
YOUR CANDIDATES*



# 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

It is **IMPORTANT** that our Board **REPRESENTS THE DIVERSITY** of its membership, and voting is your opportunity to **MAKE A POSITIVE DIFFERENCE FOR ALL CTPF MEMBERS.**



Charles A. Burbridge  
Executive Director

Now that fall is upon us, it's election season, and with the annual CTPF Board of Trustees elections coming up in November, I urge everyone to vote in the election this year.

Trustees are active leaders in our schools and play a very important role in supporting strong professional leadership and ensuring informed governance to best represent your interests as members, so it's important to get to know the candidates. CTPF is a member service organization and we are here to serve you.

It is important that the Board represents the diversity of your school communities, and voting is your opportunity to make a positive difference for all CTPF members. A responsibility that shouldn't be taken lightly, all members should use their vote in an informed way.

CTPF is governed by a 12-member Board of Trustees comprised of six active teachers, one principal or administrator, three retirees, and two trustees appointed by the Board of Education. The CTPF Board members hold many responsibilities, including authorizing benefit payments and selecting investment professionals, but their chief responsibility is representing all CTPF members' best interests when aiding in making decisions surrounding CTPF business, financial, and personnel matters.

Trustee elections are held in the fall, and all teachers who are active as of October 1 are eligible to vote. Two teacher trustees will be elected to serve three-year terms, and another will be elected to serve a one-year term to fill the vacancy created when Trustee Bernie Eshoo took her well-deserved retirement. It's imperative that all eligible voters take advantage of this opportunity to choose your best representatives.

See the Notice of Election on page 4, or visit [www.ctpf.org/election-central](http://www.ctpf.org/election-central) for additional information.

The certified candidates have been posted in schools and on the CTPF website, and elections will be conducted online November 1-7, 2018. I encourage all active members to learn about the candidates and to make informed voting decisions.

**PLEASE VOTE IN THE  
TEACHER TRUSTEE ELECTION**

*Teacher Trustee Election details can be found on pages 4-5.*

# CTPF DIVESTS FROM PUBLIC MARKET HOLDINGS IN PRIVATE PRISONS & DETENTION CENTERS

At their August 16, 2018, meeting, the CTPF Board of Trustees voted for CTPF to divest and to prohibit future investment in private prison companies and businesses that operate immigration detention centers. The Trustees directed staff to instruct investment managers to prudently liquidate public market holdings in private prison companies engaging in either incarceration or in immigrant detention as soon as reasonably practical and in accordance with the managers' fiduciary duties.



Jay C. Rehak, President of the CTPF Board of Trustees, said "As part of our duty to maintain sound, long-term investments, CTPF has divested from investments in private prisons and privately-run immigrant detention centers that deliberately outsource public services and foster unsafe working and living conditions. We know these institutions disproportionately incarcerate people of color and those who live below the poverty line, house immigrant children and perpetuate the separation of immigrant families, and take advantage of and put at risk unprotected, low-wage employees, while lacking fiscal and operational transparency." Rehak continued, "CTPF continues to be a leader in scrutinizing our investments worldwide. I'm proud of our action, and members should be too."

The Bureau of Justice Statistics reports that in 2015 (the most recent numbers available), for-profit corporations held approximately 7 percent of state prisoners and 18 percent of federal prisoners. The U.S. Immigration and Customs Enforcement Agency reported that nearly three-quarters of federal immigration detainees were held in private custody. Private corporations also hold an unknown percentage of people in local jails in Texas, Louisiana, and a handful of other states.

## FISCAL YEAR 2018 PAYMENT UPDATE

CTPF funds pensions through revenue returned on investments and from four external sources: the Chicago Board of Education, the State of Illinois, a property tax levy, and member contributions. As of August 31, 2018, the CPS fiscal year 2018 required contribution of \$772.71 million has been paid in full. A breakdown of the payment includes:

- \$221.3 million from the State of Illinois for the fiscal year 2018 normal cost requirement
- \$426.0 million in property tax receipts
- \$125.4 million from the Chicago Board of Education

The State of Illinois made its required contribution of \$11.69 million.

Revenue from the property tax levy is remitted directly to CTPF and credited against the CPS contribution. Additional revenue received from the levy will be credited to the CPS 2019 contribution. Each pay period, CTPF members contribute a portion of their salary to fund pensions. The required member contribution for Fiscal Year 2019 is 9% of pensionable teacher salaries.

As of August 31, 2018, members paid \$158.6 million (CPS) and \$21.3 million (charter schools) for the 2018 fiscal year.

### Financial Statements

CTPF is committed to fiscal transparency. Audited financial statements and actuarial reports can be found in the *Comprehensive Annual Financial Report*.

[www.ctpf.org/financial-investment-reports](http://www.ctpf.org/financial-investment-reports)



## CALENDAR

### OCTOBER

- 1 Election Nomination Packets Due | 5:00 p.m.
- 8 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.

### NOVEMBER

- 1 Board of Trustees voting opens
- 7 Board of Trustees voting closes | 5:00 p.m.
- 8 Technology Committee Meeting | 9:30 a.m.
- 8 Finance & Audit Committee Meeting | 5:00 p.m.
- 12 Veterans Day | Office closed
- 13 Board of Trustees Meeting | 9:30 a.m.
- 22 Thanksgiving Holiday | Office closed
- 23 Thanksgiving Holiday | Office closed

### DECEMBER

- 6 Finance & Audit Committee Meeting | 5:00 p.m.
- 18 Board of Trustees Meeting | 9:30 a.m.
- 25 Christmas Holiday | Office closed

*Board of Trustees and Committee meetings are held in the CTPF office and are open to the public. Confirm meeting times/dates at [www.ctpf.org](http://www.ctpf.org).*

### OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund  
203 North LaSalle Street | Suite 2600  
Chicago, Illinois 60601-1231  
312.641.4464 | Fax: 312.641.7185  
[www.ctpf.org](http://www.ctpf.org) | [MemberServices@ctpf.org](mailto:MemberServices@ctpf.org)  
Hours: 8:00 a.m. – 5:00 p.m. | M-F

# 2018 TEACHER TRUSTEE ELECTION

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

## TEACHER TRUSTEE ELECTION\*

November 1-7, 2018, CTPF will hold an election for one (1) Teacher Trustee to fill a vacancy for a one-year term ending November 2019 and two (2) Teacher Trustees to serve three-year terms from November 2018-2021.

## ONLINE VOTING & INSTRUCTIONS

All voting will be conducted online. You MUST secure your voting slip and instructions from your school Pension Representative prior to voting. Your Pension Representative will hand out voting materials in schools on November 1, 2018.

Teachers who are not assigned a school, (citywide/substitutes), will receive voting instructions at their homes via US Mail. Ballots will be mailed on October 29, 2018, to addresses on files with CTPF. If you do not receive a ballot but think you are eligible to vote, you may contact Election Services Corporation at 1.800.828.2169.

Online voting will be available from November 1, 2018, through 5:00 p.m. (CT) on November 7, 2018.

## ELIGIBILITY FOR VOTERS

Teachers who are not administrators shall be eligible to vote in the Teacher Trustee election in accordance with Sections 17-138 and 139 of the Illinois Pension Code and the Fund's Administrative Rules regarding the Election of Members to the Board of Trustees. Every member must be eligible to vote as of October 1st of the election year.

## ELIGIBILITY CRITERIA FOR CANDIDATES

Teacher Trustee candidates must:

1. Be a Member, other than a Principal/Administrator, as defined in 40 ILCS 5/17-106;
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);
3. Be nominated by a petition signed by at least 200 contributors who are not Principals/Administrators, as provided in 40 ILCS 5/17- 139(1); and
4. Complete a 2018 Teacher Trustee Election Designation Form

SCHEDULE OF ELECTION EVENTS	
February 15, 2018	Nomination packets available
September 15, 2018	5:00 p.m. (CT), last day to request nomination packets
October 1, 2018	5:00 p.m. (CT), nomination packets due to CTPF
November 1-7, 2018	Election materials distributed in schools and online voting available for Teacher Trustee election
November 7, 2018	Voting closes for elections at 5:00 p.m. (CT)
November 13, 2018	Trustees sworn in during CTPF Board of Trustees meeting

\*Elections for one (1) Pensioner Trustee will also be held in November. Find the CTPF Election Policy and additional information at [www.ctpf.org/election-central](http://www.ctpf.org/election-central).



## ONLINE VOTING AVAILABLE

### November 1-7, 2018



### CANDIDATE INFORMATION

The certified candidates for each election are listed below. A list of certified candidates and candidate background information is also available online.

Visit [www.ctpf.org/election-central](http://www.ctpf.org/election-central) for more information.

### CANDIDATES\*

The following CTPF members have met the eligibility criteria and have been certified to run in the Teacher Trustee 2018 Election for a one-year term (one open position):

Jacquelyn Price Ward | [jacquelynward10@gmail.com](mailto:jacquelynward10@gmail.com)  
Theresa Hehn | [tmhctu@gmail.com](mailto:tmhctu@gmail.com)

The following CTPF members have met the eligibility criteria and have been certified to run in the Teacher Trustee 2018 Election for a three-year term (two open positions):

James Cavallero | [jamescavallero@gmail.com](mailto:jamescavallero@gmail.com)  
June M. Andalcio | [jmandalcio@cps.edu](mailto:jmandalcio@cps.edu)  
Gervaise Clay | [gervaiseclay@gmail.com](mailto:gervaiseclay@gmail.com)

**All voting will be conducted online.**

*\*All candidates are listed in random order, as required by CTPF Election Policy.*

## 2018 TEACHER TRUSTEE CANDIDATES

### 1-YEAR TERM CANDIDATES



**Jacquelyn Price Ward**

*Carrie Jacobs Bond Elementary School*



**Theresa Hehn**

*John W. Garvey Elementary School*

### 3-YEAR TERM CANDIDATES



**James Cavallero**

*Chicago Academy High School*



**June M. Andalcio**

*LaSalle Language Academy*



**Gervaise Clay**

*George M. Pullman Elementary School*

*Find candidate background information on CTPF's Election Central page*

[www.ctpf.org/candidate-information](http://www.ctpf.org/candidate-information)

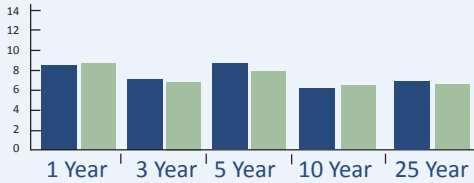


# Financial Snapshot

## RETURN ON INVESTMENTS

As of June 30, 2018

	NET RATE OF RETURN	TOTAL FUND BENCHMARKS
1 Year	8.69%	8.36%
3 Year	7.28%	7.20%
5 Year	8.52%	8.22%
10 Year	6.41%	6.42%
25 Year	7.85%	7.54%



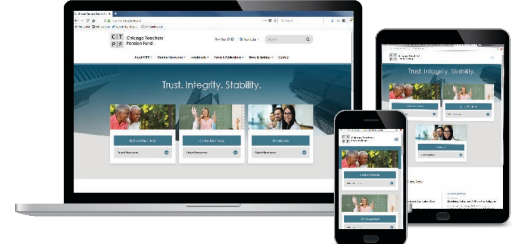
**■** RATE OF RETURN  
**■** TOTAL FUND BENCHMARKS

As of June 30, 2018, the approximate current value of CTPF's investments was \$10.8 billion.



# CTPF LAUNCHES NEW & IMPROVED WEBSITE

CTPF received an overwhelming response when we surveyed members to find out what they most wanted in our redesigned website. With that feedback in mind, we have developed a new and improved website that offers a clean, uncluttered design, a simple navigation, clearly designated sections for different audiences, and a newsfeed for sharing key news, updates, and information.



Additional features and services are currently in development as we expand upon our new digital initiative. The best way to learn about the new website is to explore, [www.ctpf.org](http://www.ctpf.org).

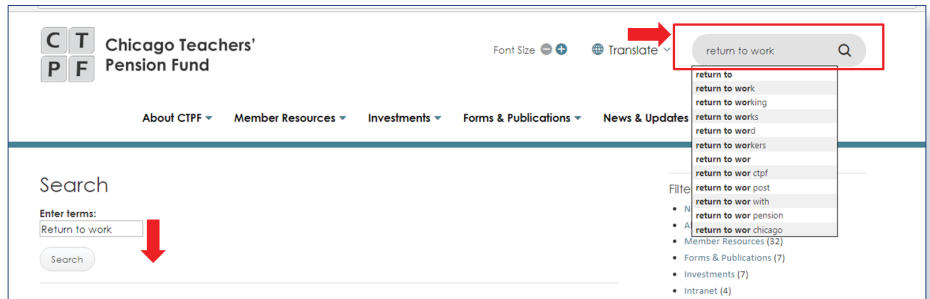
## WEBSITE HIGHLIGHT: SEARCHING SIMPLIFIED

Navigating the new website has been simplified with the search bar tool. The new CTPF website offers an easy-to-use search bar to help you find the information you need quickly and easily. Simply type a search term into the Search box, press enter, and you'll be directed to the page or pages containing the relevant information.

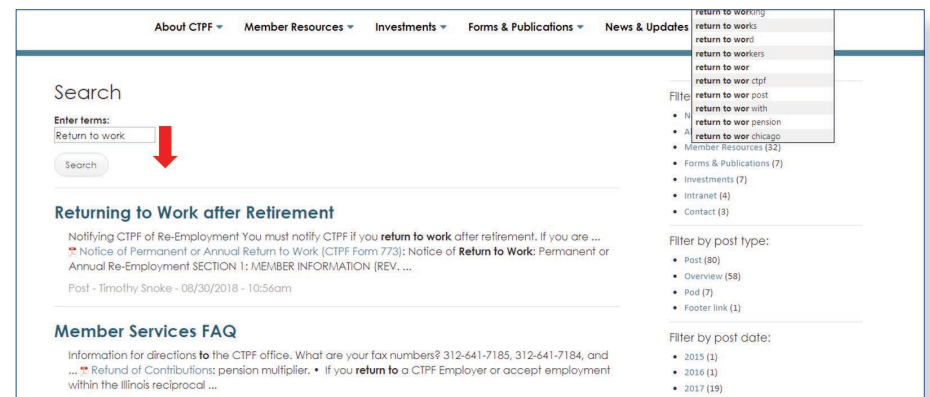
### FOR EXAMPLE:

Searching for Return to Work information?

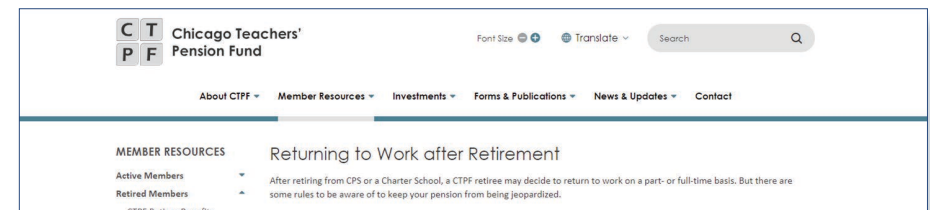
**1** Type "return to work" into the search bar and press enter.



**2** A menu of options appears with links to pages which include relevant information.



**3** Click a link to go directly to the page with the information you are searching for.



# ANNUAL MEMBER STATEMENTS

Active members will be receiving their annual Statement of Estimated Contributions and Benefits in the mail this fall. The document summarizes the individual member's contributions and service credit as reported by the employer(s) for the previous fiscal year.

## REPORTING STATEMENT ERRORS


Please review your statement carefully. If the statement contains errors in your salary, contributions, employment dates, or personal information, contact your employer(s) directly to report any discrepancies. Inactive members can report personal information errors by calling the CTPF Member Services office at 312.641.4464.

## UPDATING YOUR ADDRESS

Active employees of CPS can update their address online at [www.HR4u.cps.edu](http://www.HR4u.cps.edu). Charter School employees and all other active contributors should contact their Human Resources department. Inactive members can update their address by completing a change of address form, [www.ctpf.org/memberforms-information](http://www.ctpf.org/memberforms-information).

For more information on reading this statement, please visit [www.ctpf.org/annual-member-statement](http://www.ctpf.org/annual-member-statement).

*This statement displays contributions and service credit for the period of July 1, 2017 – June 30, 2018. This statement does not reflect your earnings as reported on your annual W-2.*



Chicago Teachers' Pension Fund

## EXAMPLE ONLY

MS. JANE DOE  
2232 FRONTAGE ROAD  
MORTON GROVE, IL 65553

Your Pension Eligibility is:  
Eligible for a Pension Benefit with no Age Reduction

2018 Statement of Estimated Contributions and Benefits  
07/01/2017 through 06/30/2018

**PERSONAL DATA**

Member ID: V023-B52224	Date of Birth: 05/01/1953
Gender: Female	Birth Certificate on File: No
Home Phone: (847) 246-4000	Marital Status: Married
Cell Phone: (773) 342-4000	Date of Marriage: Unknown
Email: Unknown	Spouse Name: None
Tier: 1	

**SERVICE CREDIT**

As of 06/30/2017	Statement Period Totals	As of 06/30/2018
15.00000	1.00000	16.00000

Service Credit as of 06/30/2018 includes:

Regular	16.00000
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**UNPAID SERVICE**  
No service credit is being purchased. Please see the Unpaid Service section in the instructions for more information.

**CONTRIBUTIONS**

Contribution Type	As of 06/30/2017	Statement Period Totals	As of 06/30/2018
Employee Retirement	\$ 76,524.17	\$ 6,336.15	\$ 82,860.32
Employee Survivor	10,204.37	844.86	11,049.23
Employee AAI	5,102.49	422.33	5,524.82
Account Balance :	\$ 91,831.03	\$ 7,603.34	\$ 99,434.37

Post-Tax Contributions: \$ 0.00

**SALARY INFORMATION**

Year	Reported Earnings	Pension Eligible Salary	Service Credit
2016	\$ 94,481.68	\$ 86,705.75	1.00000
2017	\$ 81,734.84	\$ 85,821.59	1.00000
2018	\$ 82,198.14	\$ 86,364.43	1.00000
2015	\$ 81,212.74	\$ 86,897.57	1.00000

**ESTIMATED PENSION**  
Annual Service Retirement based upon service as of 06/30/2018: \$ 30,719.04 Payable at age 65  
Your actual pension may vary after receipt of final records. This estimate uses anticipated dates and amounts.

**BENEFICIARY INFORMATION**  
No Beneficiary information is on file.  
Beneficiary last updated with CTPF: Unknown  
Please complete enclosed Designation of Beneficiary form if it has been at least five years since you submitted a form or if you have had a major life-changing event(s) in the past five years.

203 N LASALLE ST STE 2600 \* CHICAGO, IL 60601-1231 \* Telephone: (312) 641-4464 \* Fax: (312) 641-7185

## NEW STAFF AT CTPF

### CTPF WELCOMES CHIEF BENEFITS OFFICER



Rosemary K. Ihejirika, MBA, joined CTPF in May 2018 as Chief Benefits Officer. Ihejirika previously served as Benefits Manager for a self-insured health system, where she oversaw plan design, systems implementation, benefits administration, communications development, member services, and vendor relationships for the employee and member life cycles.

Ihejirika has worked in the benefits field for more than 24 years in both private and public funds, and recently returned to Chicago from Springfield, IL. Her experience includes programming and business analysis, and she holds a BA from the University of Port-Harcourt and an MBA from the Keller Graduate School of Management.

## BOARD UPDATES

### TRUSTEE BERNICE ESHOO RETIRES

CTPF extends its congratulations and best wishes for a long, happy, and productive retirement to CTPF Trustee Bernice Eshoo, who retired in June from CPS after 34 years of service. A tireless advocate for students, Trustee Eshoo has been a dedicated volunteer for various student-focused organizations and has served on several other committees and boards in addition to her duties as a CTPF Trustee.



### TEACHER TRUSTEE VACANCY FILLED



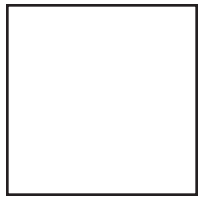
Thursday, July 19, 2018, CTPF Board of Trustees appointed James Cavallero to serve as a Teacher Trustee. Trustee Cavallero will serve out the remainder of Trustee Bernice Eshoo's term, until the Board's regular November meeting.

CTPF will hold an election in November for a Teacher Trustee to serve the remainder of the term from November 2018-2019.



Chicago Teachers' Pension Fund

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



FOLLOW US! | SIGN UP!



EMAIL UPDATES:  
[www.ctpf.org](http://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](mailto:socialmedia@ctpf.org) and we may contact you for a School Spotlight feature.

## EMAILS FROM CTPF

In addition to the printed *Pension News*, CTPF emails a monthly digital newsletter to all members, along with periodic time-sensitive announcements that members need to know, so we ask that you do not unsubscribe from receiving CTPF emails. If you have unsubscribed from CTPF emails and need to re-subscribe, please visit [www.ctpf.org/webform/sign-updates](http://www.ctpf.org/webform/sign-updates).



## BOARD OF TRUSTEES

Jay C. Rehak  
*President*

Lois W. Ashford  
*Vice President*

James Cavallero  
Mark F. Furlong  
Lois Nelson

Tina Padilla  
Mary Sharon Reilly  
Maria J. Rodriguez

Jerry Travlos  
Gail D. Ward

Charles A. Burbridge  
*Executive Director*

Gregory Redfeairn  
*Financial Secretary*

Jeffery Blackwell  
*Recording Secretary*