

Pension News

TRUST.
INTEGRITY.
STABILITY.

Issue Highlights

CTPF News Briefs

Information about CTPF's diversity in investments, the release of the 2014 CAFR, new publications, and legislative issues. **2**

Ready to Retire? You need a P.L.A.N.

If you're planning to retire in 2015, now is the time to start preparing. **4**

2015 Retirement Seminars

CTPF has announced the dates of three retirement seminars. Reservations are now being accepted. Find details here. **6**

Beyond the Retirement Horizon

A review of post-retirement health insurance options and return to work considerations. **7**

CTPF TRUSTEES INSTALLED



2014-2015 Officers, front row, pictured from left to right: Bernie Eshoo, financial secretary; Lois W. Ashford, vice president; Jay C. Rehak, president; and Raymond Wohl, recording secretary. Back row, from left to right: Jerry Travlos, Robert F. Bures, Jeffery Blackwell, Andrea L. Zopp, Mary Sharon Reilly, Tina Padilla, Carlos M. Azcoitia, and Walter E. Pilditch.

During their November 20, 2014, meeting, the Chicago Teachers' Pension Fund Board of Trustees elected officers for 2014-2015 and re-installed Trustees Tina Padilla, Raymond Wohl and Andrea L. Zopp.

Trustees Padilla and Wohl were originally elected to the CTPF Board of Trustees as Teacher Trustees in November 2011. The number of certified candidates did not exceed the open positions in the 2014 Teacher Trustee Elections. Therefore, the certified candidates were declared elected. Padilla and Wohl will serve three-year terms from November 2014 - November 2017.

Trustee Zopp was appointed to the CTPF Board of Trustees as a representative of the Board of Education in June 2011. She will serve a two-year term from November 2014-2016.

Officers for 2014-2015

President, Jay C. Rehak
Vice President, Lois W. Ashford
Financial Secretary, Bernie Eshoo
Recording Secretary, Raymond Wohl

Standing Committee Chairs

Investments, Tina Padilla
Claims and Service Credit, Jeffery Blackwell
Finance and Audit, Bernie Eshoo
Pension Law and Rules, Lois W. Ashford



WWW.CTPF.ORG



Kevin B. Huber,
executive director

CTPF EXECUTIVE DIRECTOR RESIGNS

Longtime CTPF Executive Director Kevin B. Huber resigned from the fund effective December 31, 2014. Huber joined the fund as Chief Financial Officer in 1999, and was promoted to Executive Director in 2005. He had been on medical leave

from the fund since May 2014.

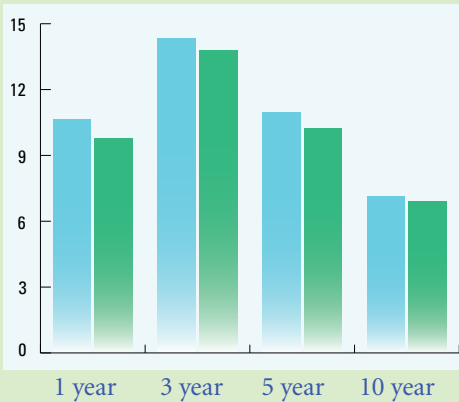
"Our Trustees thank Mr. Huber for the outstanding leadership and guidance he has provided our fund during the past 16 years. As CFO and then as Executive Director, he worked tirelessly on behalf of our

members and our staff, and has set a high standard for our fund," said Jay C. Rehak, president of the CTPF Board of Trustees. "He brought a rare combination of professional and interpersonal skills to this position and we will miss him greatly."

CTPF FINANCIAL SNAPSHOT

CTPF RETURN ON INVESTMENTS
September 30, 2014

	RATE OF RETURN	TOTAL FUND BENCHMARKS
1 year	10.63%	9.77
3 year	14.31	13.79
5 year	10.96	10.24
10 year	7.12	6.89



■ RATE OF RETURN
■ TOTAL FUND BENCHMARKS

As of September 30, 2014, the approximate current value of CTPF's investments was \$10.4 billion.



EXECUTIVE DIRECTOR RESIGNS Continued from page 1

The Board of Directors has initiated a national search for a candidate to fill Huber's position, and is working with executive search firm EFL Associates. The fund's current Interim Executive Director, Peter A. Driscoll, will stay on with the fund through March 31, 2015, to ensure a smooth transition.

CTPF PRESENTS DIVERSITY REPORTS

As part of two fiscal year-end reports, the Chicago Teachers' Pension Fund (CTPF) announced that it invested more than \$3.6 billion in assets or approximately one-third of total fund assets with Minority, Women and Persons with a Disability (MWDDBE) firms, a 2 percent increase over 2013 investments. The fund's work was highlighted during October testimony before the Illinois Senate Pensions and Investments Committee and in a December report provided to the Illinois Governor's office. Copies of the reports are available at www.ctpf.org.



"Our pension fund has a long-standing commitment to a diverse investment base and has recognized the benefits of investing with MWDDBE owned funds since the early 1990s," said Jay C. Rehak, president of the Chicago Teachers' Pension Fund Board of Trustees. "Our MWDDBE program has been instrumental in our long-term success. We believe diversity of managers makes fiscal sense in a global market."

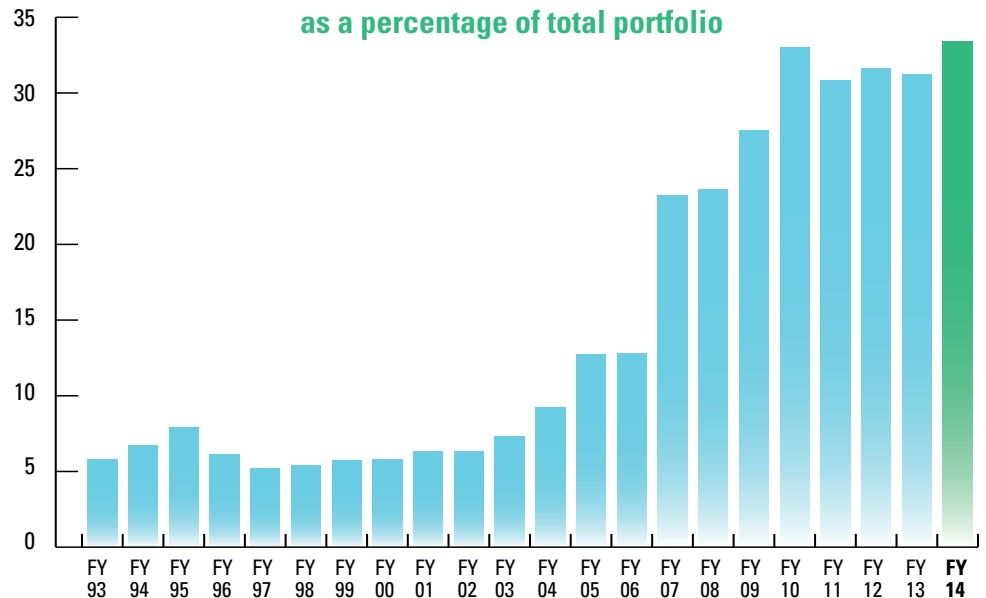
The recently submitted reports are required by a 2009 Illinois law, PA 96-006, encouraging the trustees of pension funds to use emerging investment managers in managing their system's assets. The law also encourages funds to take affirmative steps to remove any barriers to the full participation of emerging investment managers in investment opportunities.

Over the past twenty years, CTPF has seen dramatic growth in MWDDBE investments. The fund invested 6% of assets in minority-owned funds in 1993. Today, the total investment has grown to 33.4%.

"We look forward to continuing our partnership with the more than 40 minority-owned firms and continuing to invest in these productive relationships," said Rehak.

CTPF MWDDBE INVESTMENTS

as a percentage of total portfolio



PA98-0599 (SENATE BILL 1) RULED UNCONSTITUTIONAL

November 21, 2014, a Sangamon County Circuit Court judge ruled that Public Act 98-0599 is unconstitutional.

The original legislation, signed December 5, 2013, changed the Illinois Pension Code for four of the five state pension systems: Teachers' Retirement System (TRS), State Employees Retirement System (SERS), State Universities Retirement System (SURS), and the General Assembly Retirement System (GARS). CTPF was not impacted by the law.

The law eliminated the State systems' unfunded liability by 2045, primarily by reducing benefits for retired and active members. The law was scheduled to go into effect on June 1, 2014, but implementation was delayed by the court case.

The Attorney General immediately appealed the Circuit Court's decision to the Illinois Supreme Court. A hearing is scheduled for March.

NEW FEDERAL PENSION LAW DOES NOT IMPACT CTPF MEMBERS

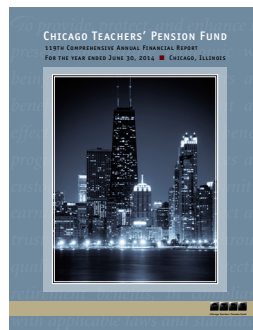
The \$1 trillion spending bill designed to keep the federal government operating, signed into law on Dec. 16, 2014, includes a provision allowing private companies to reduce pensions for retired workers. This legislation does not affect CTPF and only applies to troubled pensions in the private sector.

CTPF RELEASES 2014 CAFR AND PAFR

The CTPF Board of Trustees released the 2014 *Comprehensive Annual Financial Report (CAFR)* during their December 11, 2014, meeting. The CAFR is prepared by fund staff, reviewed by the fund's independent auditor, and includes detailed investment, actuarial and statistical information about the Fund for the fiscal year ended June 30, 2014.

The fund has also prepared a consolidated version of the CAFR in the form of a *Popular Annual Financial Report (PAFR)*. The PAFR includes essential financial information for the 2014 fiscal year. A copy of the PAFR is being distributed with this newsletter.

Members can find copies of the CAFR and PAFR at www.ctpf.org.



NEW MEMBER INFORMATION SHEETS AVAILABLE

The fund recently completed a revision and rework of publications for members, replacing trifold brochures with member information sheets. "It's been nearly eight years since we launched our brochure series, and since that time our technology has advanced to the point where having our primary publications online makes sense," explained Frances Radencic, director of communications. "Producing these publications in an 8.5 x 11 format, means they will be easier to print or to view online for members seeking this information."

Information sheets provide a general overview of the following topics: Retirement, Disability, Leaving Employment, Maximizing Your Pension, and Survivor and Death Benefits. All publications are available for download at www.ctpf.org.



CTPF CALENDAR

Trustee meetings, held in the CTPF office, are open to the public. Please confirm meeting times/dates at www.ctpf.org.

JANUARY

29 9:30 a.m., Trustee Meeting

FEBRUARY

12 Lincoln's Birthday,
office closed

16 President's Day, office closed

16 CTPF Retirement Seminar,
9:00 a.m. and 1:00 p.m.
Hilton Oak Lawn, see page 6.

19 9:30 a.m., Trustee Meeting

25 4:30 p.m. WEBINAR: 2015
Economic Impact, register at
goo.gl/0jj0Li
(case sensitive)

MARCH

2 Casimir Pulaski Day,
office closed

19 9:30 a.m., Trustee Meeting

APRIL

7 Retirement Seminar, 9:00 a.m.,
Thompson Center, see page 6.

23 9:30 a.m., Trustee Meeting

MAY

1 Nomination packets for 2015
Trustee elections available.

21 9:30 a.m., Trustee Meeting

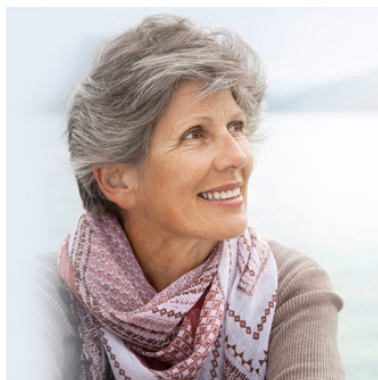
25 Memorial Day holiday,
office closed

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
memberservices@ctpf.org
Hours: 8:00 a.m. – 5:00 p.m. M-F

READY TO RETIRE? YOU NEED A P.L.A.N.

There are few milestones in life more important than retirement. The end of your work career brings a mixture of emotions and a flood of financial considerations. The way you



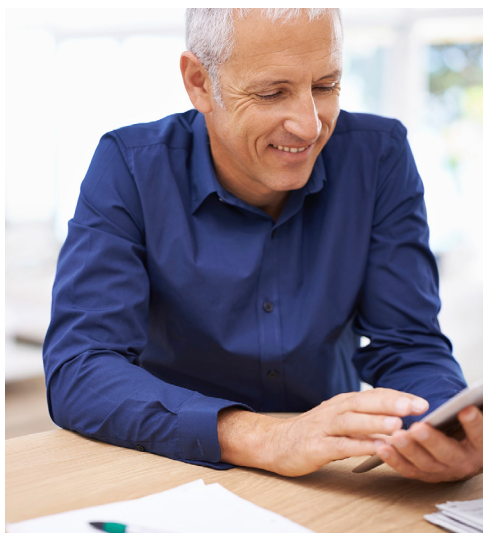
approach the process can make a big difference in how you feel when you actually leave your job. **Actions you take today can directly impact your retirement.** The acronym, P.L.A.N., Prepare, Learn, Apply, Notify, can help you organize your retirement planning and ensure a smooth transition.

PREPARE

There are important steps you should take now to prepare for retirement next June.

Assess Your Financial Situation

Now is a good time to examine your expenses and think about how you will minimize them. You may want to put together a monthly budget or track expenses for a period to see how you can cut costs and live on a reduced income.



What to do now . . .

Take these three steps to start your retirement preparations.

1. Request an estimate of your pension from Member Services.

A pension estimate can give you an idea of the amount of retirement income you can expect. It takes approximately 30 days to generate an estimate, so do this well in advance, and before you schedule a personal benefits consultation.

2. Spend time researching and gathering information

Every retirement situation is different, so understanding your options involves some time and energy. You can visit www.ctpf.org and click on the Retirement Readiness link to find information about the CTPF retirement process. Your employer will have another, separate process to follow, so make sure you check with your current and any reciprocal employers. You will need to complete a separate retirement application with each retirement system.

3. Register your e-mail with CTPF and follow us on social media

CTPF sends regular updates and information to retirees through e-mail. You will lose your employer-provided e-mail account when you retire, so make sure you register a permanent e-mail address with CTPF. If you use social media, “like us” on Facebook and follow us on Twitter.

Get the credit you deserve

Increasing your service credit is one way to maximize your pension income. There are several ways to increase your service credit:

- Convert Unused Sick Days
- Optional Service Purchases
- 2.2 Upgrade

Find more information on the retirement resources site at www.members.ctpf.org or view the Maximizing Your Pension member information sheet at www.ctpf.org.



LEARN

As an educator, you've made a career of preparing children for the challenges of the future – now it's your turn. Educating yourself about the retirement process will make the transition to retirement smoother.

Visit the Retirement Readiness Website

CTPF launched a website dedicated to individuals within five years of retirement. Visit the new site to find a pension estimator, check lists, and information to help you organize the retirement process. You can find a link at www.ctpf.org.

Attend a Retirement Seminar

CTPF Retirement Seminars provide a one-stop shop for retirement information. See page 6 for the 2015 schedule and more information.

Schedule a Personal Benefits Consultation

Consider scheduling a personal benefits consultation with a CTPF pension resource specialist. Specialists meet with members in 45 minute, pre-scheduled appointments, available in the CTPF office, Monday - Friday from 8:00 a.m. - 3:30 p.m. These meetings offer the opportunity to discuss your retirement situation in depth. You should plan to bring a list of questions and relevant career information to your appointment. Call Member Services, 312.641.4464 to schedule your appointment.



APPLY

Download a Retirement Application from www.ctpf.org. Reviewing the application can help take the retirement process from intangible to tangible, and get you started on the road to retirement.

Required Documentation

When you retire you will need copies of your vital records. If you do not have copies available, request these records now so you have them when you turn in your application. You will need one document from each of these groups:

1. Proof of age
2. Proof of social security number
3. Photo identification
4. If you are enrolled in Medicare: a copy of Medicare A & B card or letter of entitlement

Applicants who are married or joined in a civil union must provide the following documents:

- Spouse's birth certificate or current passport, and
- Marriage or civil union license

Applicants who are widowed or divorced must provide the following, as applicable:

- Spouse's death certificate
- Divorce or dissolution of marriage or civil union decree

Reciprocal Considerations

If you plan to retire under the provisions of the Illinois Retirement Systems Reciprocal Act, you must declare your intent at retirement, meet each system's requirements, and request and file a retirement application with each system.

Direct Deposit

Most members use direct deposit for their monthly pension benefit because it provides the fastest and most reliable delivery of funds. If you plan to apply for direct deposit, make sure you include a voided check with your retirement application.

NOTIFY

Retirement is a two-step process – you must file an application with CTPF and formally resign from your employer. CTPF must receive confirmation of your resignation from your employer before processing your CTPF retirement application. Once the fund receives confirmation from your employer, it can take up to 90 days to finalize a retirement application.

Return to Work

As a retiree you may work for any non-CPS/Chicago Public Charter School employer (Employer) without restriction. If you return to work for an Employer the job must meet certain guidelines or your pension may be revoked. Reciprocal retirees must meet the rules from all of their retirement systems.

Find the Return to Work Policy and necessary forms at www.ctpf.org.

Questions?

If you have questions about your pension or need additional assistance completing your retirement application contact a Member Services Counselor at 312.641.4464.

If you have questions about unused sick days or sick day payouts, additional payout information, or COBRA coverage for health care, contact your employer.

Find a copy of CTPF's retirement planning brochure with more information at www.ctpf.org.



Is retirement on your horizon?

Get the big picture . . .

JOIN US FOR A 2015 RETIREMENT SEMINAR

CTPF 2015 RETIREMENT SEMINARS

If you're considering retirement in 2015, please join us for a CTPF retirement seminar. The seminars provide a one-stop shop for retirement information including a general overview of the CTPF and CPS retirement processes, assistance completing forms, and free copy and notary services.

Representatives from CTPF's Member Services Department, the Social Security Administration, and financial services firms will also be available to answer individual questions.

Registration is required and seating is limited. Register today at: goo.gl/uvKcPh (case sensitive) or call Member Services at 312.641.4464.

February 16, 2015

9:00 a.m. or 1:00 p.m. (attend one)
Hilton Chicago/Oak Lawn
9333 South Cicero Avenue, Oak Lawn

April 7, 2015

9:00 a.m.
Thompson Center Auditorium, lower level
100 West Randolph Street, Chicago

SCHEDULE YOUR PERSONAL BENEFITS CONSULTATION

If you are considering retiring in 2015, make an appointment to meet with a Pension Resource Specialist for a retirement consultation.

Appointments are available from Monday – Friday, 8:00 a.m. until 3:30 p.m. These personalized meetings allow you to discuss your retirement situation in depth. Bring your questions and relevant career information.



Walk-in Visitors

CTPF strongly recommends scheduling appointments. Members without appointments may be seen on a first-come, first-served basis, between

9:00 a.m. – 3:00 p.m. Wait times will vary and may be long during peak periods.

CTPF is located at 203 North LaSalle Street, suite 2600, Chicago. The CTA's blue, green, brown, pink, purple, and orange lines all stop at Clark and Lake. Parking is available in the building and discounted vouchers are available for \$18 (check only, no cash).

Call 312.641.4464 to schedule your appointment.

BEYOND THE RETIREMENT HORIZON....

The decision to retire impacts many aspects of your life. Two important post-retirement considerations include how you will receive health insurance and understanding the rules for returning to work.



HEALTH INSURANCE

There are several different ways to acquire post-retirement health insurance. Your options may include:

- Continuation coverage – the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), allows individuals to pay for the same health insurance coverage that they received when they were employed, usually for 18 months. Contact your employer for information.
- CTPF Health Insurance Plans – CTPF offers health insurance benefits to retirees, dependents, and survivors if the retiree’s final teaching service was with the Chicago Public or Charter Schools.
- Other group insurance through a spouse or partner
- Private insurance

CTPF PLANS

If your final teaching service was with CTPF, you and your dependents may qualify to join a CTPF health insurance plan. The *2015 Health Insurance Handbook and Open Enrollment Guide*, available at www.ctpf.org, contains detailed information about plans offered, eligibility requirements, and premium costs.

How do I Enroll?

Enrollment instructions are outlined in the *CTPF Health Insurance Handbook*. You can download enrollment forms at www.ctpf.org.

When Can I Join?

You may only enroll in a CTPF health insurance program **once** in your lifetime unless you experience a qualifying event. Retirees may initially enroll:

- within 30 days after COBRA continuation coverage terminates (unless termination is due to non-payment)
- within 30 days of the effective date of pension/survivor benefits
- during the Annual Open Enrollment Period (once in a lifetime)
- when coverage is terminated by another group health insurance plan through no fault of your own
- within 30 days of becoming eligible for Medicare

QUALIFYING EVENT

You may enroll in a CTPF plan outside of the initial or annual enrollment period if you experience a qualifying event. Qualifying events include: marriage/civil union or divorce/dissolution, birth, adoption, legal guardianship, becoming Medicare eligible, a change in permanent address that affects availability of an HMO or Medicare Advantage plan, or termination of a Primary Care Physician for an HMO or POS plan.

PAYING FOR INSURANCE

CTPF retirees whose final service was CTPF may qualify for a partial subsidy of their health insurance premiums. The subsidy applies to the retiree or survivor portion of the premium. Dependent coverage is not eligible for the subsidy.

WHAT TO DO NOW

- Research your coverage options.
- Contact your health care providers to determine if they participate in the insurance programs you are considering.
- Compare costs and review the *CTPF Health Insurance Handbook and Open Enrollment Guide*.



RETURNING TO WORK

Retirement doesn’t always mean the end of work. Many retirees miss the social and financial benefits of employment and return to the workforce after retirement. As a CTPF retiree, there are rules to keep in mind when returning to work.

Non-CTPF Employers

You may work for any *non-CPS/Chicago Public Charter School* employer without restriction.

CTPF Employers

If you return to work for a *CPS/Chicago Public Charter School* employer, you must follow certain rules or your pension will be cancelled. You can find a copy of CTPF’s reemployment rules at www.ctpf.org.

Reciprocal Retirees

Reciprocal retirees should understand that each Illinois retirement system has its own rules governing the employment of annuitants. It is a retiree’s responsibility to understand the reemployment rules before accepting employment.

Questions

If you have questions contact Member Services at 312.641.4464.



Chicago Teachers' Pension Fund

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**CTPF BOARD OF TRUSTEES'
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.

BOARD OF TRUSTEES

- Jay C. Rehak, *president*
- Lois W. Ashford, *vice president*
- Bernie Eshoo, *financial secretary*
- Raymond Wohl, *recording secretary*
- Carlos M. Azcoitia
- Robert F. Bures
- Jeffery Blackwell
- Tina Padilla
- Walter E. Pilditch
- Mary Sharon Reilly
- Jerry Travlos
- Andrea L. Zopp
- Peter A. Driscoll, *interim executive director*

CONNECT WITH CTPF

Protecting pensions and safeguarding retirement security are responsibilities we share.



Take Action Today



**We need your help to protect your pension. Stay in touch.
"Like us" on Facebook and join our e-mail list (three easy ways):**



Text CTPF to 22828
(Standard messaging rates apply)



Scan the code



Click "join mailing list" on our Facebook page

Stay Informed: Attend the WEBINAR

February 25, 2015, 4:30 - 5:30 p.m.

**The Buck Stays Here: CTPF Members Making an (Economic) Impact.
Register at goo.gl/0jjDLi (case sensitive)**

Register to attend CTPF's online webinar offering an overview of the positive economic impact CTPF Members have on the economy in Chicago and the State of Illinois. The presentation will review the 2015 Economic Impact Statement and offer ways to share information with local legislators.