

PENSION NEWS

SPRING/SUMMER 2015 FOR RETIREES

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CTPF WELCOMES EXECUTIVE DIRECTOR

The Chicago Teachers' Pension Fund (CTPF) Board of Trustees named Charles A. Burbridge executive director of the Fund, effective on March 16, 2015. He replaced Kevin B. Huber who retired from the Fund on December 31, 2014.

"Our trustees believe Mr. Burbridge's extensive, senior-level financial experience in both the public and private sectors will be a valuable asset to the Fund," said Jay C. Rehak, president of the CTPF Board of Trustees. "In addition, Chuck's leadership and strong background working in Chicago and Illinois will help us navigate the challenges and opportunities facing CTPF in the current pension fund environment."

The Board of Trustees conducted a national search for candidates and cited Burbridge's broad financial experience – which includes having held high-level executive positions in several public school systems, including the Chicago Public Schools, as well as other Illinois government-based operations – as making him uniquely qualified for the position.



CTPF Trustees welcomed Executive Director Charles A. Burbridge and thanked Peter A. Driscoll for his service as interim executive director. Pictured, back row, l-r: Trustees Robert F. Bures, Walter E. Pilditch, and Jeffery Blackwell. Middle row, l-r: Financial Secretary Bernie Eshoo, Tina Padilla, Vice President Lois W. Ashford, and Mary Sharon Reilly. Front row, Burbridge, CTPF Board of Trustees President Jay C. Rehak, and Driscoll.

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EXECUTIVE DIRECTOR'S LETTER



Charles A. Burbridge, executive director

Throughout my career I have learned that when the right opportunity arises, you have to be ready to grab it – regardless of where or when it might occur. Having crisscrossed the country during the past 25 years, working in Chicago and on both coasts – I am excited to have the opportunity to return to the city I consider my hometown, as

Executive Director of the Chicago Teachers' Pension Fund (CTPF). I appreciate the warm welcome I've received from the Trustees, staff, and stakeholders, and look forward to serving you.

I fully expected to "hit the ground running" during my first week on the job – what I didn't necessarily expect, but quickly embraced, was to hit the road

to Springfield. Two days into my tenure, the Fund's lobbyists requested that I offer testimony during a hearing on House Bill 3695, a measure that reestablishes the pension fund tax levy that had been taken away from CTPF in 1995. Removing the tax levy set in motion a series of events which laid the groundwork for a decade of underfunding. While

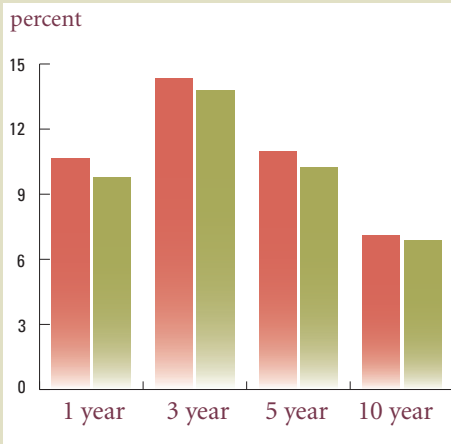
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CTPF FINANCIAL SNAPSHOT

CTPF RETURN ON INVESTMENTS

February 28, 2015

	RATE OF RETURN	TOTAL FUND BENCHMARKS
1 year	7.26	7.79
3 year	10.83	10.37
5 year	10.98	10.67
10 year	6.43	6.56



■ RATE OF RETURN
■ TOTAL FUND BENCHMARKS

As of February 28, 2015, the approximate current value of CTPF's investments was \$10.4 billion.



Continued from page 1

the proposed legislation will not solve our pension crisis, reestablishing the tax levy would be an important (and symbolic) step toward restoring our Fund's financial stability. I quickly made arrangements, and traveled to the Illinois capitol to present testimony on behalf of our trustees and members.

The unexpected trip to Springfield proved an important opportunity to connect directly with legislators and to demonstrate how seriously CTPF considers the issue of full funding. My trip was also a bit of a homecoming, as I had attended the University of Illinois at Springfield where I earned bachelor's and master's degrees in economics, and began my career working as an economist at the Illinois Economic and Fiscal Commission.

Throughout my career I have worked in the field of government and education, working on K-12 education and finance issues. Regardless of the organization I worked for or the title I held, my job has always been problem solving. Whether it was implementing a new technology or developing a more transparent and effective budget, I have always embraced and understood the importance of working collaboratively to find solutions to complex problems. Along these lines, one of the first actions I took at CTPF was to reorganize my office around a conference table and to install a decidedly low tech "white board" to help visualize issues and facilitate collaborative thinking. Open communication and dialogue matter, and I plan to learn from and support our staff as we work to become better communicators and problem solvers.

Every organization has challenges to confront and processes to improve, and at CTPF we have a strong base on which to build. Our members embrace careers in teaching because they truly care for the students, and CTPF employees have always had that same focus. Our employees take pride in helping members navigate the complex decisions that make up the retirement process, and supporting retirees

during their post-retirement years. We have a great opportunity to build on this culture of caring as we move forward with plans to improve service to our members.

For our members, caring in the 21st century means that we must do our jobs well – provide benefit education, perform accurate benefit calculations, and utilize technology to support our work. We have already started to explore improvements in these areas as we evaluate and examine our current services to members and look to enhance them. We plan to focus on listening, surveying, and communicating in the coming months. We want to know what we do well and what can be done better. The experiences you have on a day-to-day basis can help us examine our core processes, find efficiencies, and become a stronger organization.

Caring for members also means looking beyond today to help ensure that we have the resources we need to fund pensions in the future. We have provided benefits for the past 120 years – and we want to work to make sure that we can continue to do so for the next 120 and beyond. Right now, the greatest issue we face is the fact that we have about half of the resources we need to meet our future obligations – and that has a detrimental impact on Fund operations and the way we invest. We know we can't invest our way to financial stability – even with excellent investment returns, revenue remains critical. We will continue to advocate for full funding.

The years ahead will undoubtedly pose challenges and opportunities, some predictable, some unexpected. Whatever arises, though, I want you to know that I am ready to hit the road – to work for you and with you – to safeguard your pension and protect our Fund.



Chuck Burbridge, CTPF executive director, thanks Rep. Marcus Evans, Jr. for his support of HB 3695.

LEADERSHIP ROUNDTABLE INITIATIVE



Leaders from the 13 Illinois Reciprocal Retirement Funds gather at CTPF on April 30, 2015, for a roundtable discussion.

Leaders from the Illinois Reciprocal Pension Systems' 13 member Funds convened on April 30, 2015, as part of a pension leadership roundtable initiative to help foster dialogue, share knowledge, and address the common challenges shared by the Funds.

In total, the pension funds at the roundtable represent more than 1.24 million members and collectively hold more than \$140 billion in assets, and make benefit payments in excess of \$12 billion annually.

"Pension funds in Illinois are at a crossroads," said Jay C. Rehak, CTPF Board president and roundtable facilitator. "We are facing some difficult times, but by showing solidarity and addressing the issues facing Illinois pensions as a collective group we can work to ensure proper funding for all of our members."

TRIBUNE PUBLISHES PRESIDENT REHAK'S LETTER

The March 27, 2015, *Chicago Tribune* published a letter by Jay C. Rehak, president, CTPF Board of Trustees. The letter reviewed the CPS decisions that contributed to the underfunding of CTPF, and reminded readers of the moral and legal obligation to fund pensions. Find the letter on the current news section at www.ctpf.org.

CTPF WELCOMES EXECUTIVE DIRECTOR *Continued from page 1*

"I'm excited to be leading the Chicago Teachers' Pension Fund into its next chapter," said Burbridge. "For 120 years the Fund has been a key part of Chicago and the education community. I look forward to serving our 63,000 members and working with the trustees and the staff to ensure that our pension plan's funding gets back on track, so we are able to deliver on the promise made to our members."

Burbridge previously served as chief financial officer of the Atlanta Public Schools (APS) where he drove a focused vision for the finance, technology and facilities functions since he took that position in 2007. Prior to his post in Atlanta, Burbridge held a variety of senior-level positions with the Los Angeles Unified School District, including deputy chief financial officer, chief financial officer, and interim chief information officer.

Burbridge has also held several positions in Illinois, including director, state and local government management assurance at KPMG; deputy chief financial officer at Chicago Public Schools; deputy chief financial officer for Cook County; and an economist at the Illinois Economic and Fiscal Commission. Burbridge earned his bachelor's and master's degrees in economics from the University of Illinois, Springfield.

STAFF PROMOTIONS

CTPF announced two staff promotions, naming Tiffany Reeves deputy executive director and Angela Miller-May director of investments.



Tiffany Reeves

Reeves joined the Fund as Chief Legal Officer in August 2014, and will retain that title. Prior to joining CTPF, Reeves worked for the law firm of Jacobs, Burns, Orlove & Hernandez (JBOH), the Fund's outside counsel. At JBOH Reeves counseled and represented the Firm's public sector and ERISA pension and health and welfare funds on various personnel, fiduciary, investment, legislative, governance, and operational and compliance issues. Reeves has experience working as an attorney in both the public and private sectors.

A native of Eugene, Oregon, Reeves earned her juris doctorate and bachelor of arts degrees from the University of Oregon, and a master's degree from Northwestern University.

Miller-May joined CTPF in 2010 as an Investment Operation and Risk Management Analyst. Promoted to Portfolio Manager-Alternatives in 2012, she monitored alternative investment managers to ensure contractual, compliance, fiduciary and investment responsibilities were met.

Prior to joining CTPF, Miller-May worked over 13 years in the banking industry. She holds a master's degree in business administration from DePaul University and a bachelor's degree in economics from Northwestern University.



Angela Miller-May

LEGISLATIVE UPDATE



CTPF encourages members to support HB 3695

HOUSE BILL 3695 UPDATE

CTPF encourages all members to ask their state legislators to support HB 3695, legislation which reinstates the pension tax levy diverted from CTPF in 1995. The bill does not increase taxes, but reduces the CPS levy 0.26% and deposits that amount directly with CTPF.

The legislation, written and sponsored by State Rep. Marcus C. Evans, Jr., and House Speaker Michael J. Madigan with Chief Co-Sponsor Majority Leader Barbara Flynn Currie received bipartisan support from several additional Co-Sponsors including Rep. David Harris, Rep. Anthony DeLuca, Rep. Joe Sosnowski, Rep. Arthur Turner, Rep. Christian L. Mitchell, Rep. Elgie R. Sims, Jr., Rep. Camille Y. Lilly, and Rep. John D'Amico.

The bill passed the Illinois House on a vote of 102 to 9 on April 14, 2015.

The legislation unanimously passed out of the Senate Executive Committee on May 6, 2015, and at press time was waiting to be called for a vote on the Senate floor. Sen. Mattie Hunter sponsored the bill with Co-Sponsors Sen. Don Harmon, Sen. Ira I. Silverstein, Sen. William Delgado, Sen. Napoleon Harris, III, Sen. Kwame Raoul, Sen. Martin A. Sandoval, Sen. Heather A. Steans, Sen. Donne E. Trotter, Sen. Emil Jones, III, Sen. Michael Noland, Sen. Kimberly A. Lightford, and Sen. Michael E. Hastings.

TAKE ACTION ON HB 3695

Check the Current News page at www.ctpf.org for up-to-date information on this legislation, including a fact sheet and a link to the Legislative Action Center.

SB 1 RULED UNCONSTITUTIONAL

May 8, 2015, the Illinois Supreme Court struck down SB1, a measure which impacted four state pension systems. CTPF was not impacted by the law which eliminated the State systems' unfunded liability by 2045, primarily by reducing benefits.

"While CTPF members were not directly impacted by the ruling on Senate Bill 1, the Illinois Supreme Court's landmark decision to strike down this legislation is a welcome development for our members," said Charles A. Burbridge, CTPF executive director. "We hope that this ruling helps move forward the conversation about fully funding pensions for CTPF members."

SPOTLIGHT ON THE LEGISLATIVE ACTION CENTER

Ready to support legislation but not sure where to start? Visit the Legislative Action Center. Click on the Education and Advocacy Tab at www.ctpf.org and then click Legislative Action Center (LAC).

The LAC offers a resource page where members can find contact information for local lawmakers along with summaries and updates of legislation supported by CTPF.



The Legislative Action Center (LAC), available on the Education and Advocacy page at www.ctpf.org, has a legislator look up feature and includes options to send an e-mail or letter directly to lawmakers.

SPRING AMBASSADOR UPDATE

AMBASSADORS ON THE ROAD



This spring, CTPF took to the road offering seven Pension Fund Ambassador seminars in schools throughout the city. More than 200 active and retired members attended the programs.

The seminars provided an overview of the Fund, explained how to protect pensions through the Pension Fund Ambassador Program, and shared information about the economic impact pensions have on the economy of our city and state.

The program was well received by attendees. If you have a group of members who would like to host one of these events, please contact Jackie Umbles, communications specialist, at ambassadors@ctpf.org.

FEBRUARY WEBINAR

CTPF offered an Economic Impact Webinar on February 25, 2015. The webinar reviewed the economic impact of pensions on the state and local economy. A recorded version can be downloaded from the Education and Advocacy page at www.ctpf.org.



Teachers at Steinmetz High School pause for a photo with CTPF Trustees Raymond Wohl (back row center) and Bernie Eshoo (front right) following a Pension Fund Ambassador presentation on March 5.



2015 ELECTION NOTICE

Friday, November 6, 2015, the Chicago Teachers' Pension Fund will hold elections for five Board of Trustees positions.

Pensioner Trustees

Retired members will elect three Trustees who will serve from November 2015-2017. The election will be conducted by mail with initial results tabulated on November 6.

Teacher Trustees

Active teachers will elect two Trustees who will serve from November 2015-2018. The election will be conducted on November 6.

Pensioner Eligibility

- A candidate for Pensioner Trustee must be a service or disability pensioner receiving a monthly pension payment from CTPF.

Nomination Packets Available

Contact 312.604.1400 ext. 132 or 169 to request a nomination packet.

- Candidate eligibility will be verified before packets are issued.
- Completed packets must be returned to CTPF by 5:00 p.m., October 1, 2015.

More Information

Find election information in the *Election Policies and Procedures Handbook* available on the Election Central page at www.ctpf.org or upon request. Voting information will be distributed in September.

2015 PENSION PAYMENT SCHEDULE

Month	Check Mailing Date	Direct Deposit Date
July 2015	June 29, 2015	July 1, 2015
August 2015	July 30, 2015	August 3, 2015
September 2015	August 28, 2015	September 1, 2015
October 2015	September 29, 2015	October 1, 2015
November 2015	October 29, 2015	November 2, 2015
December 2015	November 25, 2015	December 1, 2015

RETIREMENT REMINDER:

HEALTH INSURANCE SUBSIDY FOR NON-CTPF PARTICIPANTS

Retirees currently enrolled in CTPF-sponsored health plans, receive any available health insurance premium subsidy in their monthly pension check. Retirees who do not participate in a CTPF plan may apply for a subsidy.

April 16, 2015, applications for the period January 1 -December 31, 2014, were mailed to members who were not enrolled in CTPF health insurance plans. Completed applications must be returned to CTPF with required documentation by August 31, 2015. Call CTPF Member Services at 312.641.4464 with questions about the subsidy or application.



CTPF CALENDAR

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

MAY

- 21 9:30 a.m., CTPF Board of Trustees Meeting
- 25 Memorial Day holiday, office closed

JUNE

- 11 9:30 a.m., CTPF Board of Trustees Meeting

JULY

- 3 Independence Day holiday, office closed
- 16 9:30 a.m., CTPF Board of Trustees Meeting

AUGUST

- 20 9:30 a.m., CTPF Board of Trustees Meeting

SEPTEMBER

- 7 Labor Day holiday, office closed
- 17 9:30 a.m., CTPF Board of Trustees Meeting

OCTOBER

- 1 5:00 p.m., Trustee nominating petitions due to CTPF office
- 12 Columbus Day holiday, office closed
- 22 9:30 a.m., CTPF Board of Trustees Meeting

NOVEMBER

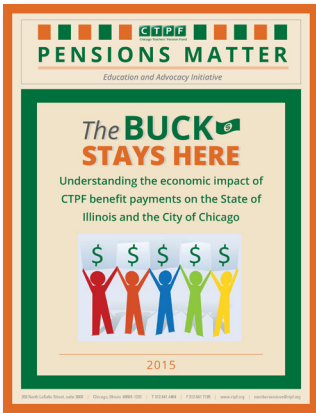
- 6 Board of Trustees Elections

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

CTPF RELEASES 2015 ECONOMIC IMPACT STATEMENT

The BUCK STAYS HERE



The Chicago Teachers' Pension Fund (CTPF) has released its 2015 Economic Impact Study, *The Buck Stays Here*. This document is produced annually and details the Fund's impact on the State of Illinois, City of Chicago, and each Illinois legislative district.

"This report is a snapshot into just how important the Fund is to the City of Chicago, and the entire state," said Jay C. Rehak, CTPF President of the Board of Trustees. "Our members live in every single legislative district in Illinois and they eat at local diners, shop at local retailers, and ultimately, put their hard-earned retirement dollars back into the state's economy."

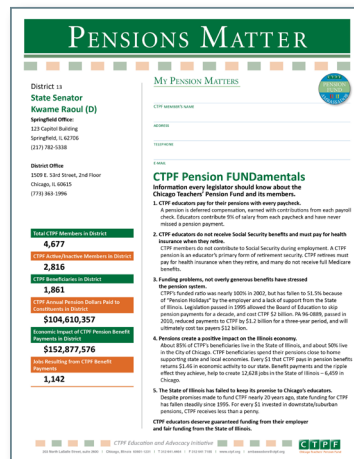


85% OF CTPF BENEFICIARIES STAY IN ILLINOIS, WITH **HALF** OF THOSE MEMBERS RESIDING IN CHICAGO

WORDS INTO ACTION

The Buck Stays Here identifies economic impact by legislative district in Illinois so that members can share the information with lawmakers. Individual information sheets with some key CTPF statistics can be downloaded from the Education and Advocacy page at www.ctpf.org.

Pensions Matter — tell your legislators.



ILLINOIS

\$1.2 BILLION IN DIRECT PENSION PAYMENTS TO BENEFICIARIES IN THE STATE OF ILLINOIS

\$1.7 BILLION IN TOTAL ECONOMIC IMPACT IN THE STATE OF ILLINOIS



12,628 JOBS

SUPPORTED IN THE STATE OF ILLINOIS



Chicago Teachers' Pension Fund

NOTE: 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.

CHICAGO

\$592 MILLION IN DIRECT PENSION PAYMENTS TO BENEFICIARIES IN THE CITY OF CHICAGO



\$864 MILLION IN TOTAL ECONOMIC IMPACT IN THE CITY OF CHICAGO



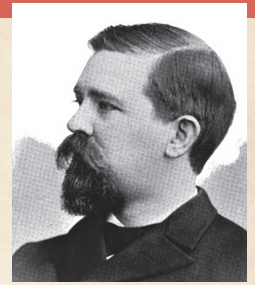
6,459 JOBS

SUPPORTED IN THE CITY OF CHICAGO

A PAGE FROM HISTORY

FEBRUARY 16, 1895, State Representative William C. Eakins of Chicago introduced a bill to the Illinois legislature “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. CTPF will celebrate its 120th anniversary on July 1, 2015, and to help commemorate the occasion, the Fund will publish a series of stories examining important milestones in the Fund’s history.



Attorney Charles Thornton, first president of the Pension Board and author of the 1895 pension legislation.

CHALLENGING EARLY YEARS

May 29, 1895

Friday, May 29, 1895, Illinois Houses passes a pension bill with “great enthusiasm” with a vote of 116 to 3. The bill is sent to Governor Altgeld who signs the bill into law. The first pensions are 100% teacher funded with a 1% compulsory withdrawal from salary. Women teachers may retire after 20 years of service and men after 25. Maximum pension is set at \$600 per year.

June 15, 1895

Local papers tout the pension legislation as a highlight of the legislative session.

July 1, 1895

Pension law in force. The Board of Education sets November 27, 1895, as the date of the first pension board meeting. Governance of the Fund is managed by the Board of Education, Superintendent of Schools, and two elected representatives from the teachers and employees.

November 16, 1895

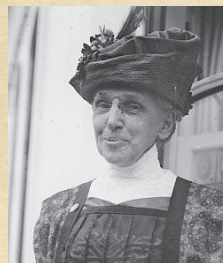


School delegates gather in the Schiller Theater in Chicago to accept nominations and determine a canvassing process for the pension board.

The Schiller Theater building

November 27, 1895

The first meeting of the Pension Board of Trustees received the report of the canvassing committee. Mrs. Ella F. Young and Mr. T. J. Waters were elected trustees. The original board included a total of 24 members.



Educator Ella Flagg Young was one of the two teachers’ representatives elected to the first pension board.

March 25, 1896

Sixteen women and one man are granted pensions.

November 17, 1897

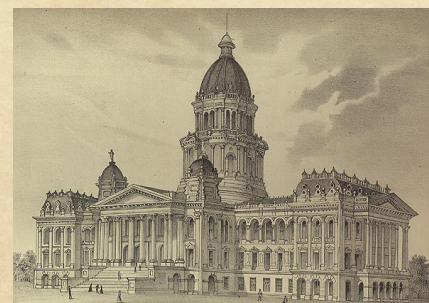
The Committee on Finance presented the Fund’s first financial Statement with income of \$82,160.25, expenses of \$19,490.49 and sets aside \$57,200 for investments.

May 29, 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, 1900

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.



December 21, 1895

The Trustees establish rules for administering the Fund and establish January 1896 as the first date for a withdrawal of funds from teachers’ salary.

April 3, 1901

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

July 10, 1901

The mandatory contribution provision is repealed and hundreds file for refunds.

September 13, 1901

Financial pressures force the Pension Board to decrease pensions to 60% of their value.

August 30, 1905

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



Jane Addams elected Pension Board president August 30, 1905

May 1907

Addams heads a delegation of supporters who lobby for passage of the new pension bill in Springfield.

May 13, 1907

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. 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.

A New Era Begins

Addams’ leadership ushered in a new era, which brought closer the dream of stable pensions for Chicago’s educators.



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
- Charles A. Burbridge, *executive director*

100 YEARS YOUNG: BURNECE WALKER BRUNSON

Burnece Walker Brunson, turned 100 on March 22, 2015, surrounded by friends and family who celebrated an educator who dedicated a lifetime to learning, teaching, and sharing with her community.



Raised in Mt. Pleasant, Tenn., and inspired by her mother and aunt who were both teachers, she attended Tennessee State University. She moved to Chicago where she graduated from Chicago Teachers College and began her career in 1949 at Gladstone School. She and her husband Robert raised two children and operated a popular restaurant, Hasty Tastee.

Brunson continued her education at National Louis University, and became a master teacher. She worked

at several schools including Gillespie and Fiske, serving as a pre-k teacher, playground instructor, and principal, before becoming a district-wide teacher working with special education students.

A member of many pioneering educational associations, she became widely recognized for her work in early childhood and special education. She retired in 1976.

A lifelong learner, Brunson developed a love of writing in elementary school which continued throughout her life. She has been busy in retirement, writing poetry and publishing her work. Active and engaged at 100 years young, Brunson continues to find ways to give back, share, and inspire her community.