

PENSION NEWS

WINTER 2015 FOR RETIREES

Issue Highlights

CTPF News Briefs

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

2015 Medicare Rates and Reminders

Find 2015 Medicare Insurance rates and important reminders. **4**

Pension Payment Schedule

The 2015 schedule for direct deposits and check mailing. **5**

Tech Tips

CTPF includes the phrase "find more information at www.ctpf.org" in many stories. Find out more about how to access information online and what is available to our members. **6**

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.

Continued on page 2



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.

"We 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."

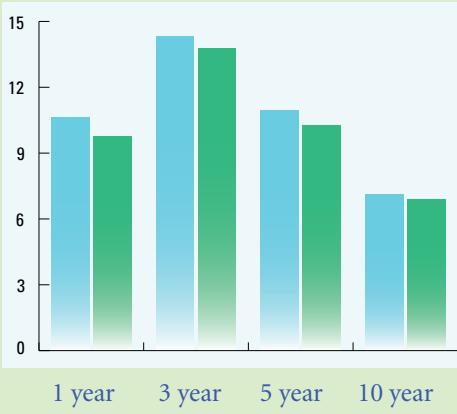
The Board of Directors has initiated a national search for candidates to fill Huber's position, and is working with executive search firm EFL Associates. The fund's current Interim Executive Director, Peter A. Driscoll, will stay on with the fund through March 31, 2015, to ensure a smooth transition.

continued from page 1

**CTPF FINANCIAL
SNAPSHOT**

CTPF RETURN ON INVESTMENTS
September 30, 2014

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



■ RATE OF RETURN
■ TOTAL FUND BENCHMARKS

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



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

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.



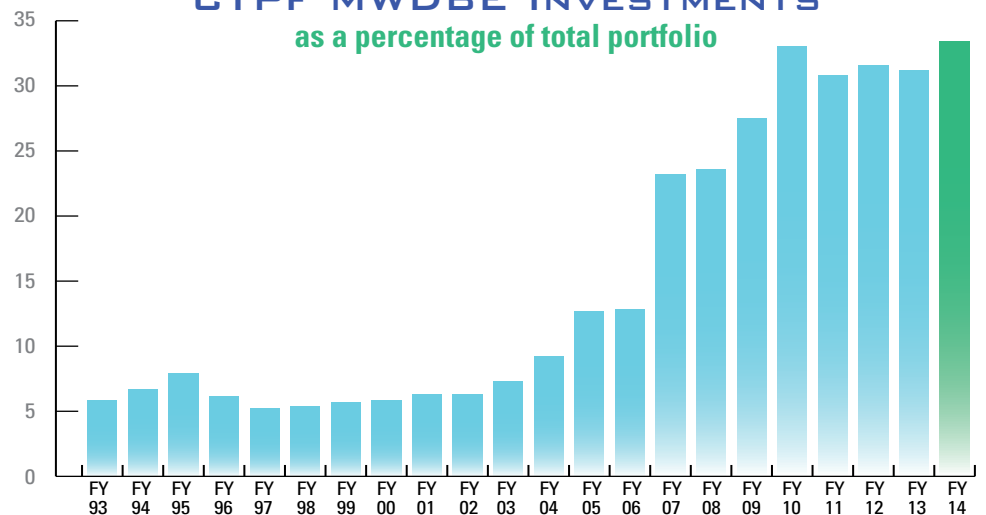
"Our pension fund has a long-standing commitment to a diverse investment base and has recognized the benefits of investing with MWDDBE owned funds since the early 1990s," said Jay C. Rehak, president of the Chicago Teachers' Pension Fund Board of Trustees. "Our MWDDBE program has been instrumental in 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 *2014 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.

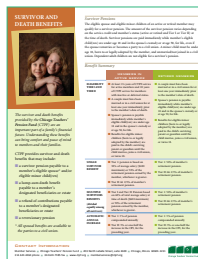
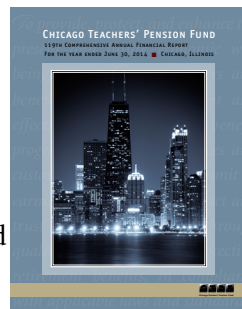
Members can find copies of the CAFR and PAFR at www.ctpf.org.

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

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

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

JUNE

11 9:30 a.m., Trustee Meeting

JULY

3 Independence Day observed,
office closed

16 9:30 a.m., Trustee Meeting

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

2015 MEDICARE RATES AND REMINDERS

The 2015 Open Enrollment period for CTPF retiree health insurance plans closed on October 31, 2014. All plan changes and rates became effective on January 1, 2015.

2015 MEDICARE RATES ANNOUNCED

The Centers for Medicare and Medicaid Services (CMS) released the 2015 Medicare premium rates.

PART A: (HOSPITAL INSURANCE) PREMIUM

Members who have 40 quarters or more of Medicare credit receive Medicare Part A at no charge at age 65. If you do not have 40 quarters of credit, you must pay for this coverage.

The monthly Part A premium for members with 30-39 quarters of Medicare-covered employment will be \$224 in 2015 reduced from \$234 in 2014.

Individuals with less than 30 quarters of Medicare-covered employment pay \$407 monthly, reduced from \$426 in 2014.

CTPF helps pay for Medicare Part A premiums by subsidizing 50% of your premium cost in 2015.

2015 MEDICARE PART A COSTS WITH CTPF SUBSIDY

Medicare Part A with 40+ quarters = 0

Medicare Part A with 30-39 quarters = \$112 after CTPF subsidy

Medicare Part A with 0-29 quarters = \$203.50 after CTPF subsidy



PART B: (MEDICAL INSURANCE) PREMIUM

The standard Medicare Part B premium will be \$104.90 for 2015. CTPF helps pay for Part B premiums by subsidizing 50% of your premium cost.

Standard Medicare Part B cost = \$52.45 after CTPF subsidy

MEDICARE PREMIUMS FOR HIGHER-INCOME INDIVIDUALS

The Social Security Administration requires that individuals with higher incomes pay an income related adjustment amount (IRMAA) in addition to their standard Medicare premiums. These IRMAA premiums apply to Part B as well as prescription coverage. CTPF does not subsidize any part of the IRMAA premium. IRMAA adjustments are applied to individuals whose adjusted gross income was higher than \$85,000 in 2013 and to couples whose income was \$170,000 or more.

BLUE CROSS MEDICARE ADVANTAGE PPO ENROLLEES

The Blue Cross Medicare Advantage PPO plan has replaced the Blue Cross Medicare Supplement plan effective January 1, 2015.

New ID Cards

During December Blue Cross mailed new ID cards to members enrolled in this plan. You should share the new card with your medical providers.

Blue Cross also mailed post-enrollment kits in December. The kit includes plan coverage information.

QUESTIONS?

If you have questions about this plan, contact Blue Cross directly at 1-877-299-1008.

Coverage Continues

All doctors and medical providers who accept Medicare are covered under the Blue Cross Medicare Advantage PPO.

Coverage Explanation

Some providers may not be familiar with the mechanisms of this Medicare Advantage plan. Members who need additional information for providers can download a letter from our website at www.ctpf.org which offers an explanation. This letter assures medical providers that as long as they accept Medicare, the reimbursement level is the same whether they are in or out of network.



CTPF PENSION PAYMENT SCHEDULE

The schedule for mailing checks/direct deposit advices and the date for posting direct deposits is listed below. Please use this as a guide for budgeting.

Month	Check Mailing Date	Direct Deposit Date
February 2015	January 29, 2015	February 2, 2015
March 2015	February 26, 2015	March 2, 2015
April 2015	March 30, 2015	April 1, 2015
May 2015	April 29, 2015	May 1, 2015
June 2015	May 28, 2015	June 1, 2015
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

NEW YEAR: NEW CHECK AMOUNTS

Retirees may notice a difference in their paychecks beginning with their January deposits. The 3% Automatic Annual Increase (AAI) has been implemented for members who qualify. In addition, the health insurance premium rebate has been decreased from 60% to 50%.

Members who use direct deposit can find payment details on the deposit advice which was mailed with January deposits. Members who receive paper checks can find details on their check stub.



PLANNING TO VISIT? GIVE US A CALL...

Appointments with Member Services counselors are available Monday through Friday, 8:00 a.m. - 3:30 p.m. CTPF highly recommends scheduling appointments in advance. Members without appointments may be seen on a first-come-first-served basis, between 9:00 a.m. – 3:00 p.m. Wait times for walk-in appointments vary and may be long during peak periods.

CTPF is located at 203 North LaSalle Street, suite 2600, Chicago. Many CTA lines stop at Clark and Lake. Parking is available in the building. A discounted parking voucher may be purchased for \$18, check only, no cash.

Call Member Services at 312.641.4464 to schedule appointments.



SNOWBIRD ALERT

If you head south for winter, remember that CTPF does not forward benefit checks. File a temporary address change with CTPF before you leave and consider direct deposit. You can find the necessary forms on our website at www.ctpf.org.

At many points in this newsletter you'll find the words, "find more information at www.ctpf.org." Our website is a repository for up-to-date information on a variety of topics and is one of the first places we share news. Here are some tips and insights to help you navigate CTPF's online world. . . .

GETTING STARTED

Even if you don't have your own computer, you can access CTPF information on a computer at your local library or from a smartphone.



WHAT'S AT YOUR FINGERTIPS ONLINE?

You can find information ranging from financial reports to common forms at www.ctpf.org.



General Fund Information

Copies of current press releases in Current News, office information, Board of Trustees meeting dates, links to Illinois laws and reciprocal information.



Publications

Financial reports, printed and online monthly newsletters, health insurance Frequently Asked Questions, and education and advocacy publications.



Forms

Commonly requested forms including a Designation of beneficiary, Change of Address, Tax withholding documents, and more.



Resources for CTPF Members

Start by opening an internet browser (Explorer, Chrome, Firefox) and typing in www.ctpf.org. This brings up CTPF's home page. The home page has a series of headlines and menus that can help you navigate the site. The general information tab on the left is a good place to start for information about the fund along with publications and forms that our members request.



Retiree Information

Information that retirees commonly request is located on the Retired Members tab. When you click this tab, you can access a series of links on the left side of the page related to common topics including pension payments, reemployment, health insurance, death benefits, QILDRO, forms and applications, and payment and direct deposit information. If you click any of these topics on the left side of your screen, additional information will pop up about each topic. For example, if you are heading south for winter, click on the Forms and Applications topic to pull up a change of address form. Click on the link to open the form. You can then print or download it to your own computer.



EDUCATION AND ADVOCACY

The CTPF website includes information about the reasons we face underfunding and actions you can take to help protect your pension.

You can find these resources when you click on the Education and Advocacy Tab on our home page.



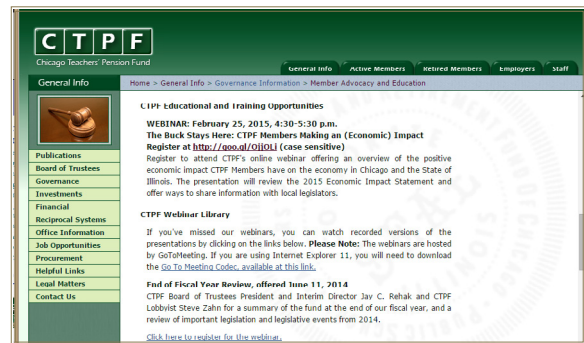
EDUCATION AND ADVOCACY HIGHLIGHTS



► The Legislative Action Center (LAC)

Now that new legislators have been installed – do you know who represents your interests in Springfield? The Legislative Action Center allows you to access information about your Illinois legislators, just enter your zip code for a complete listing.

You can find sample letters and special information when proposed legislation requires action on the part of our members.

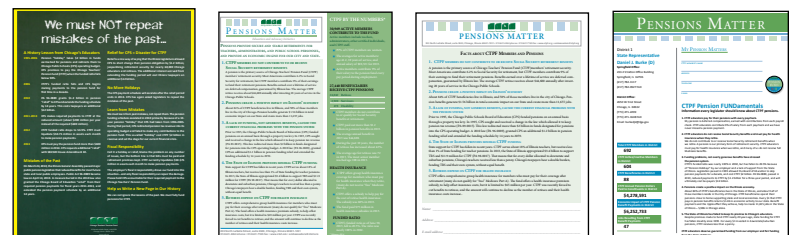


► Training Opportunities

When you click on the Education and Advocacy tab, you'll find a page with a series of links that are underlined. When you click on a link it will take you to the highlighted section. One example: you can find a listing of upcoming training opportunities as well as a library of past webinars at the CTPF Educational and Training Opportunities link.

► Resources for Visiting Legislators

Meeting with a local legislator may be the most important step you can take to protect your pension. Before you go, get the facts. You can find several helpful publications at the **Members Education Documents Link**.



Mistakes of the Past

Member Education

Leave Behind Sheet

Economic Impact

Make sure you register your e-mail address with CTPF so you stay informed about seminars and webinars we host for CTPF members.



Chicago Teachers' Pension Fund

203 North LaSalle Street, suite 2600
Chicago, Illinois 60601-1231

Presorted Standard
U.S. Postage
PAID
Chicago, IL
Permit No. 2237

**REGISTER FOR E-MAIL UPDATES
WWW.CTPF.ORG**

Scan code with your
smart phone to access the
online information page.



WWW.CTPF.ORG

**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 900-610-2222 (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.