

Town Hall Webinar

May 11, 2022



Chicago Teachers' Pension Fund



For CTPF Members

Today's Presenter



Carlton W. Lenoir, Sr.

*CTPF Executive Director and
Interim Chief Investment Officer*

Welcome

Town Hall Agenda

- CTPF Overview & Legislative Update**
- Funding & Investment Overview**
- Economic Impact**
- Spring Reminders**
- Staying Informed & Connected**

TOWN HALL WEBINAR

Overview & Legislative Update

CTPF Today



One of 646 public pensions in Illinois
Oldest in Illinois (1895)

Serves Chicago's public/charter/
contract school teachers, administrators,
certified personnel and CTPF staff

Membership includes more than 90,000 members:

31,215

Active members

27,610

Annuitants

6,658

Vested terminated members

24,997

Unvested terminated members



Active Contributors

- 76% women
- Average age 42.6
- Average years of service 11.1

Retired Members

- 73% women
- The average age is 75.5

CTPF Governance

CTPF is governed by an independent Board of Trustees include six trustees elected by the active teacher membership, one trustee elected by the active principals and administrators, three trustees elected by the retired membership, and two trustees appointed by the Board of Education.

2021-2022 CTPF Board of Trustees

As of 5/2022



Jeffery Blackwell
President



Mary Sharon Reilly
Vice President



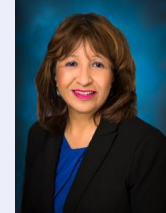
Miguel del Valle



Victor Ochoa



Tina Padilla



Maria J. Rodriguez



Jacquelyn Price Ward
Financial Secretary



Lois Nelson
Recording Secretary



Jerry Travlos



Dwayne Truss



Quentin S. Washington



Philip Weiss

Board Members are CTPF Fiduciaries.

2022 Trustee Elections



This fall CTPF will hold elections for:

**2 Teacher
Trustees**

**1 Principal Administrator
Trustee**

Teachers and Principal Trustees will serve three-year terms from November 2022-2025

Week of October 17, 2022

Election materials mailed and online voting available



2022 Elections will be conducted by mail due to the pandemic. Teachers and Principals are now collecting petitions signatures. Voting opens the week of October 17 and ends November 4, 2022, at 5:00 p.m.



CTPF Pension Reps are a primary source of Election information.

2022 Legislative Update

During the spring legislative session, the Illinois General Assembly unanimously passed two measures designed to help address the shortage of Chicago Public School (CPS) substitute teachers/administrators, and another which allows the purchase of prior teaching service in private schools for a limited time

1. SB4000 Return to Work changes for CTPF Teachers and Administrators.
2. SB 3465 Return to work without limitation in shortage areas.
3. SB 2989 Private school service credit purchase.

CTPF is currently working to align Fund policy with current legislation and will be sharing additional information with members this spring.

TOWN HALL WEBINAR

Funding & Investment Overview

2022 Revenue Sources

In addition to investment revenue, CTPF receives contributions from the State of Illinois, a tax levy, CPS, and employees. The following represents State of Illinois and CPS contributions for the fiscal year ending June 30, 2022.

Fiscal Year 2022 (As of April 30)

Board of Education Required Contribution	\$667,180,000
State of IL Normal Cost and Additional Required Contribution	\$277,497,000
Total payments received:	
▪ Property tax receipts	\$292,115,382
▪ Board of Education	\$10,982,406
▪ State Normal Cost	\$220,706,667
▪ State additional required contribution	\$12,649,000
Total received	\$536,453,455
Balance due	\$408,223,545

Investment Strategy

CTPF Investment Strategy:



Maintain a diverse mix of assets



Accept a level of risk appropriate for a large public employee retirement system



Invest for a lifetime

Investment Overview



Fiscal Year 2022

Total Assets as of March 31, 2022: \$12.8 billion

Net of fees	Fiscal Year to Date (3/31)	Last 3 Years	Last 5 Years	Last 10 Years	Last 25 Years
CTPF	11.61	9.84	8.93	7.67	11.61
Benchmark	10.78	9.41	8.55	7.29	10.78

2021 Fiscal Year Summary

Investment returns as of June 30, 2021 28.7%

\$13.1 billion in assets

Investment Assumption: 6.5%

Withdrawal from Russian Assets

March 10, 2022, the Board passed a resolution withdrawing investments in Russia and supporting the Ukrainian people

CTPF identified \$4.5 million in assets overall and has been working to remove these assets from the portfolio. This action was taken due to the extraordinary and unprecedented act of war against a sovereign nation.

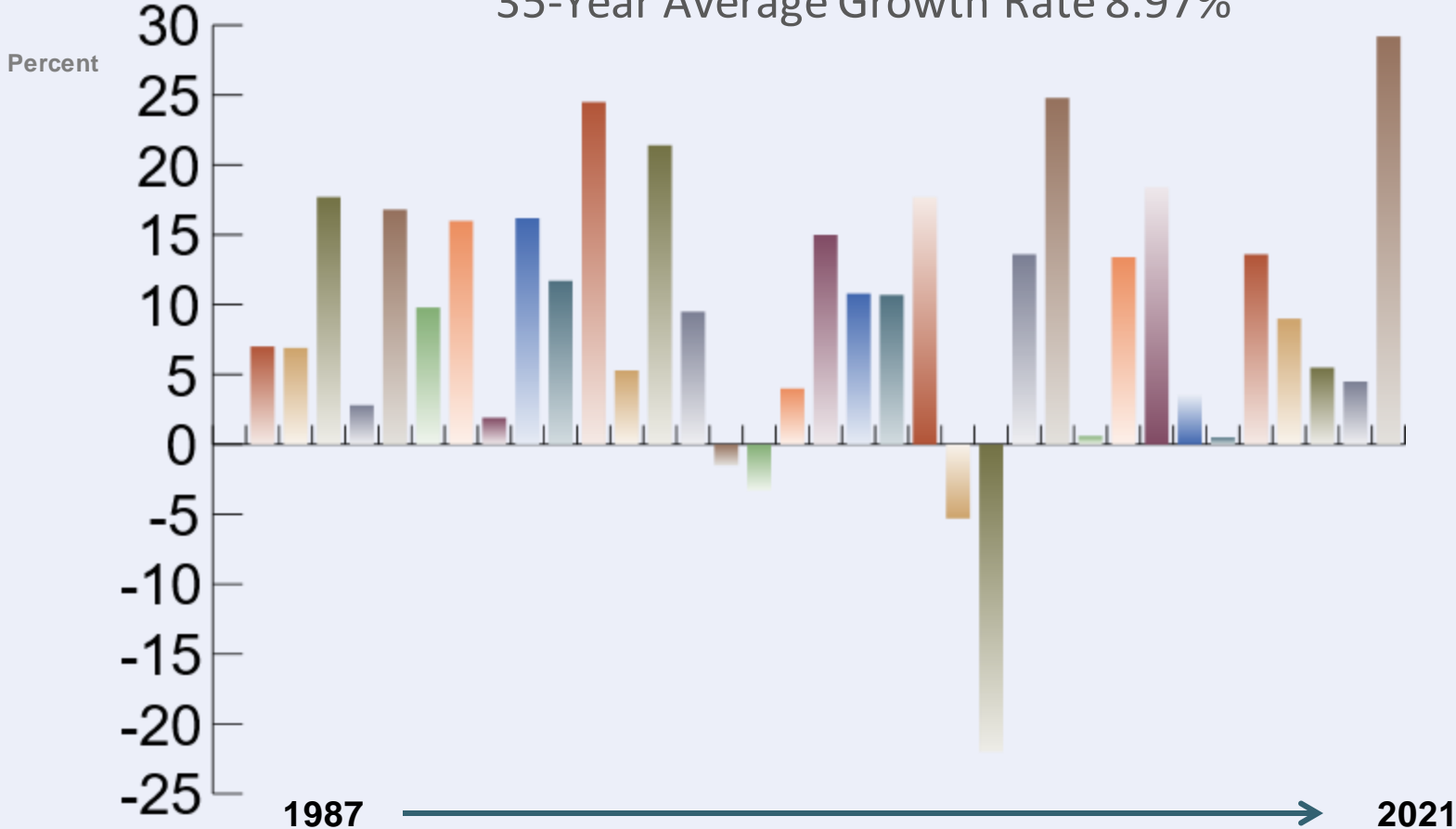


CTPF Annualized Returns

C + I = B + E

CTPF Annualized Rate of Return 1987-2021

35-Year Average Growth Rate 8.97%



Investment Return Assumption is 6.5%

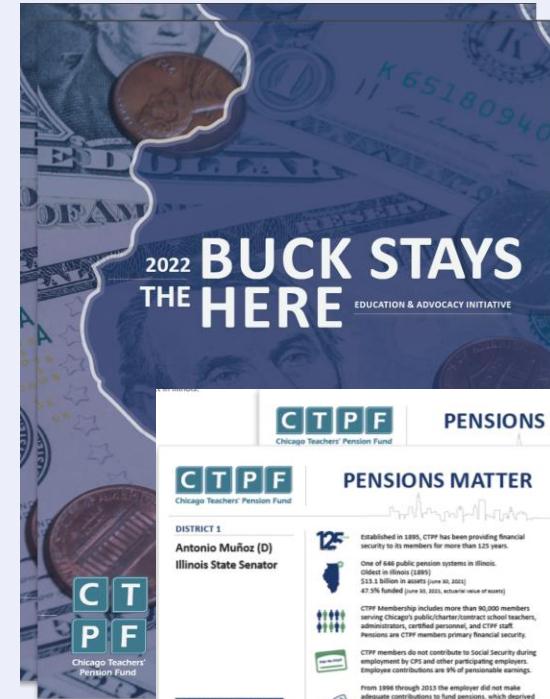


TOWN HALL WEBINAR

Making an Impact

CTPF Pensions Benefit Illinois

- Pensions help to recruit and retain experienced and qualified teachers, and lower the cost of employee turnover.
- Teachers earn pensions with every paycheck and return their pensions to the Illinois economy every month – for the benefit of all.
- Retirees with guaranteed income continue to spend, even in difficult economic times.





CTPF
Chicago Teachers' Pension Fund

PENSIONS MATTER

DISTRICT 1

Antonio Muñoz (D)
Illinois State Senator



Chicago Teachers' Pension Fund

PENSIONS MATTER

Established in 1985, CTPF has been providing financial security to its members for more than 125 years.

One of 48 public pension systems in Illinois.

Classed in Illinois (1895)

\$3.1 billion in assets (June 30, 2021)

47.9% funded (June 30, 2021, actuarial value of assets)

CTPF Membership includes more than 90,000 members serving Chicago's public/charter/contract school teachers, administrators, certified personnel, and CTPF staff. Pensions are CTPF members' primary financial security.

CTPF members do not contribute to Social Security during employment by CPS and other participating employers. Employee contributions are 9% of pensionable earnings.

From 1998 through 2013 the employer did not make adequate contributions to fund pensions, which depressed CTPF of critical revenue and the opportunity to benefit from additional investment returns. CTPF liquidated assets and relied on investment earnings to pay pension obligations during this period. Legislation enacted in 2016 and 2017 reestablished the tax levy, established the state's obligation to fund the normal cost of Chicago's teacher pensions, and provided funding for retiree health insurance. These measures corrected long-standing funding shortfalls which had contributed to a decline in CTPF's funded ratio.

2021 CTPF Revenue

CTPF revenue comes from investment returns and contributions from the State of Illinois, a tax levy, and employees. CTPF received \$1.1 billion in contributions for Fiscal Year 2021 including \$424.9 million in property tax receipts, \$384.4 million from the State of Illinois, \$211.9 million from employee contributions, and \$84.1 million from the Chicago Board of Education (CBE).

Investments

CTPF posted record investment returns for fiscal year 2021, with a 28.7% one-year return (net-of-fees). CTPF invests funds for the long-term and has achieved an average growth rate of 8.97% over the past 35 years. CTPF values diversity with 46% of our assets managed by Black firms. The Fund invests close to home with \$1.1 billion managed by Illinois-based investment managers.

CTPF operates transparently. Find financial reporting documents at ctpf.org.

providing financial security to its members for more than 125 years.

Classed in Illinois (1895)

\$3.1 billion in assets (June 30, 2021)

47.9% funded (June 30, 2021, actuarial value of assets)

CTPF Membership includes more than 90,000 members serving Chicago's public/charter/contract school teachers, administrators, certified personnel, and CTPF staff. Pensions are CTPF members' primary financial security.

CTPF members do not contribute to Social Security during employment by CPS and other participating employers. Employee contributions are 9% of pensionable earnings.

From 1998 through 2013 the employer did not make adequate contributions to fund pensions, which depressed CTPF of critical revenue and the opportunity to benefit from additional investment returns. CTPF liquidated assets and relied on investment earnings to pay pension obligations during this period. Legislation enacted in 2016 and 2017 reestablished the tax levy, established the state's obligation to fund the normal cost of Chicago's teacher pensions, and provided funding for retiree health insurance. These measures corrected long-standing funding shortfalls which had contributed to a decline in CTPF's funded ratio.

CTPF revenue comes from investment returns and contributions from the State of Illinois, a tax levy, and employees. CTPF received \$1.1 billion in contributions for Fiscal Year 2021 including \$424.9 million in property tax receipts, \$384.4 million from the State of Illinois, \$211.9 million from employee contributions, and \$84.1 million from the Chicago Board of Education (CBE).

CTPF posted record investment returns for fiscal year 2021, with a 28.7% one-year return (net-of-fees). CTPF invests funds for the long-term and has achieved an average growth rate of 8.97% over the past 35 years. CTPF values diversity with 46% of our assets managed by Black firms. The Fund invests close to home with \$1.1 billion managed by Illinois-based investment managers.

CTPF operates transparently. Find financial reporting documents at ctpf.org.

The Buck Stays Here

CTPF MEMBERS' IMPACT EXTENDS BEYOND CLASSROOM



About 91% of all CTPF members including 83% of annuitants, live in Illinois.

ILLINOIS



\$1.4 BILLION MADE IN DIRECT PENSION PAYMENTS TO ANNUITANTS LIVING IN ILLINOIS

RESULTS IN...



\$2.0 BILLION IN TOTAL ECONOMIC IMPACT IN ILLINOIS



13,583 JOBS SUPPORTED IN ILLINOIS



CHICAGO



\$731 MILLION IN DIRECT PENSION PAYMENTS MADE TO ANNUITANTS LIVING IN CHICAGO

RESULTS IN...



\$1.0 BILLION IN TOTAL ECONOMIC IMPACT IN CHICAGO



6,873 JOBS SUPPORTED IN CHICAGO

(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.

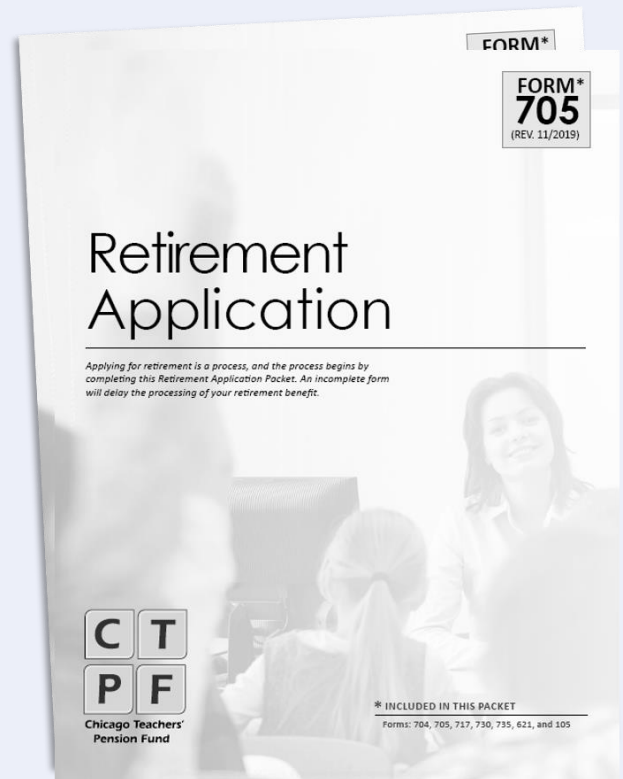
TOWN HALL WEBINAR

Spring Reminders

2022 Retirement Last Call

If you're considering retirement for 2022, now is the time to prepare:

1. Request a Pension Estimate from Member Services
2. Download a Retirement Application and review the 2022 Retirement Webinar at ctpf.org/retirement-resources
3. Call Member Services and schedule a counseling appointment.



Document Delivery

If you are submitting any documents to CTPF the best way to send documents:

- Fax 312.641.7185 or email .PDF or .JPG to imaging@ctpf.org.
- You can find information about scanning without a scanner at ctpf.org/covid-19
- Member Services offers remote notarization services. Call 312.641.4464 and request this service.



A person's hands are shown typing on a laptop keyboard. The image is overlaid with a semi-transparent blue filter. The background shows a blurred office or meeting room setting with other people and screens.

TOWN HALL WEBINAR

Staying Informed & Connected

Protecting Your Identity

Change of Address and Direct Deposit Forms

- Change of Address (107) and Direct Deposit (425) forms must be requested from Member Services
- Letters will not be accepted for Change of Address
- Call Member Services, at 312.641.4464 to request these forms and your identity will be confirmed before the forms are issued.
- Forms will be mailed and can be sent by email.

The image shows a stack of CTPF forms. The top form is 'CTPF DIRECT DEPOSIT AUTHORIZATION' (Form 425) and the one below it is 'CTPF ADDRESS CONFIRMATION' (Form 107). Both forms are from the Chicago Teachers Pension Fund. The Direct Deposit form includes sections for member information, account information, and verification. A blue shield icon with a padlock is overlaid on the bottom right of the forms, symbolizing security and identity protection.



Contact CTPF Member Services at
312.641.4464 or memberservices@ctpf.org

Medicare Fraud Warning

Plastic “Chip Card” Scam

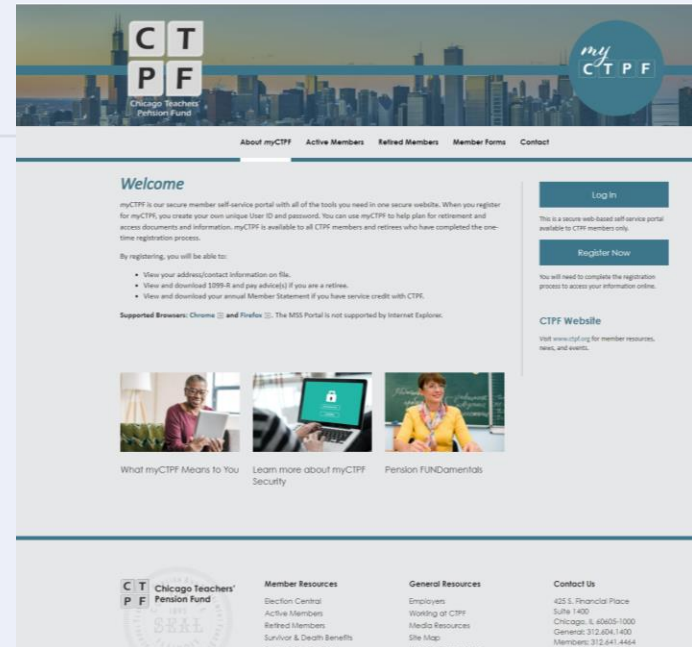
- Scammers are reaching out to Medicare enrollees, claiming that Medicare needs information to issue new “plastic chip” cards.
- Scammers attempt to get information including Medicare numbers and Social Security numbers.
- Medicare will not call members to solicit information.
- If you get a call claiming to be from Medicare, hang up and do not provide any information.
- Call 1-800-MEDICARE for additional information.

myCTPF Portal



myCTPF Login

Register Today!
Visit ctpf.org



Stay Informed & Connected

1. Stay in Touch

- Make sure you're registered for monthly email updates
- Follow us on social media

2. Keep us Up-to-Date

Our information depends on your communication. Make sure you keep the Fund up-to-date with your personal data if you are a retiree. Active members should stay up-to-date with their employers.

3. Visit *ctpf.org*

- Find news and information about the Fund

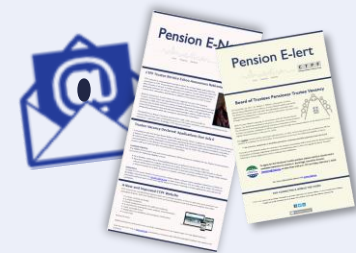
4. Quarterly Town Hall Meeting

Next meeting will be in the fall, find more information at *ctpf.org/calendar*

Follow Us!



@ Chicago Teachers' Pension Fund



Thank You

For more information, please contact

CTPF Member Services:

312.641.4464 | ctpf.org

MemberServices@ctpf.org



Chicago Teachers' Pension Fund

