

Town Hall Webinar

September 27, 2022



Chicago Teachers' Pension Fund



Today's Presenter



Carlton W. Lenoir, Sr.
CTPF Executive Director

Welcome

Town Hall Agenda

- Looking Back on FY 2022
- FY 2022 Financial Overview
- Fall Updates

TOWN HALL WEBINAR

Looking Back at FY 2022

FY 2022 Highlights

Enterprise-Wide Initiatives

- Writing the Fund's first strategic plan which establishes goals and priorities for the next three years.
- Launching Project 125, the enterprise-wide pension administration system project that will transform our organization and ensure that we can continue to meet our members' needs far into the future.



FY 2022 Highlights

Stakeholder Outreach and Impact

- Conducting expanded stakeholder outreach sessions including Town Hall meetings, retirement webinars, health insurance open enrollment webinars, CTU training sessions, training sessions for Pension Reps, and launching new webinars for Medicare retirees and outside rebate applicants.
- Reducing the backlog of pension finalizations
- Improving the refund process, reducing post-waiting period processing time
- Managing the one-time, irrevocable election process and welcoming Contract School teachers into the Fund.
- Providing enhancements and improvements to *myCTPF*, the member self-service portal

FY 2022 Highlights

Investments and Financial

- Bringing new CIO onboard to provide leadership for the team.
- Navigating a year of marketplace volatility and beating our benchmarks for investments, passing a resolution withdrawing from Russia assets, developing and agreeing to a set of investment beliefs, and undertaking education and action on fossil fuels.
- Revising our Eligibility Policy to exclude third-party staffing agencies and streamlining our Employer Audit Process

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Financial Overview

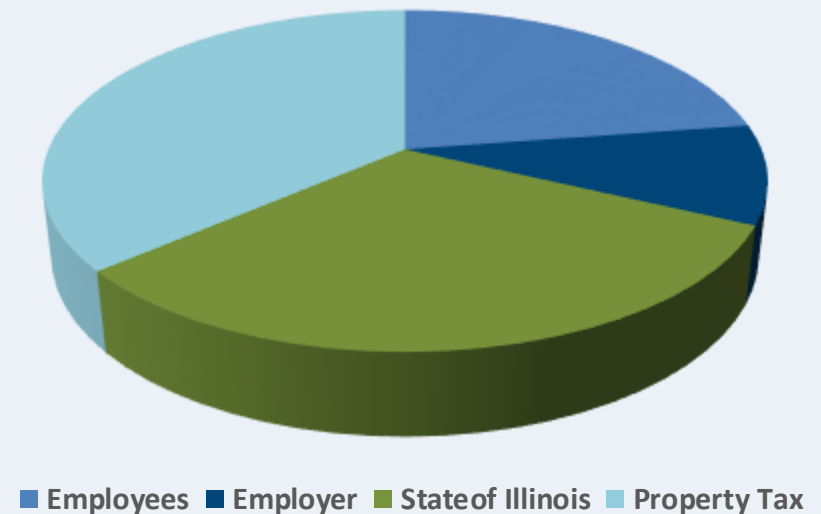
$$C + I = B + E$$

2022 Financial Update

C + I = B + E

In addition to revenue from investments, CTPF now receives contributions from four major sources: the State of Illinois, a tax levy, CPS, and employees. CTPF has received approximately \$908.9 million in revenue as of June 30, 2022, including:

- \$300.9 million in property tax receipts
- \$77.5 million from the State of Illinois
- \$221.2 million from employee contributions
- \$109.3 million from the Chicago Board of Education (CPS)*



**The Board of Education has a balance due of \$257.0 million is expected to be paid from the property tax levy and received by December 31, 2022*

Investment Overview

$$C + I = B + E$$

- There will likely be continued uncertainty moving forward as we navigate uncharted territory.
- CTPF has a strong well-structured portfolio designed to weather long-term losses.
- We hire managers and are not stock traders. We invest in relationships with vendors who will fulfill our policy.
- We do not make reactionary decisions; but are disciplined long-term investors.



CTPF Overview

$$C + I = B + E$$

Total Assets as of June 30, 2022: \$11.5 billion

Investment Assumption: 6.5%



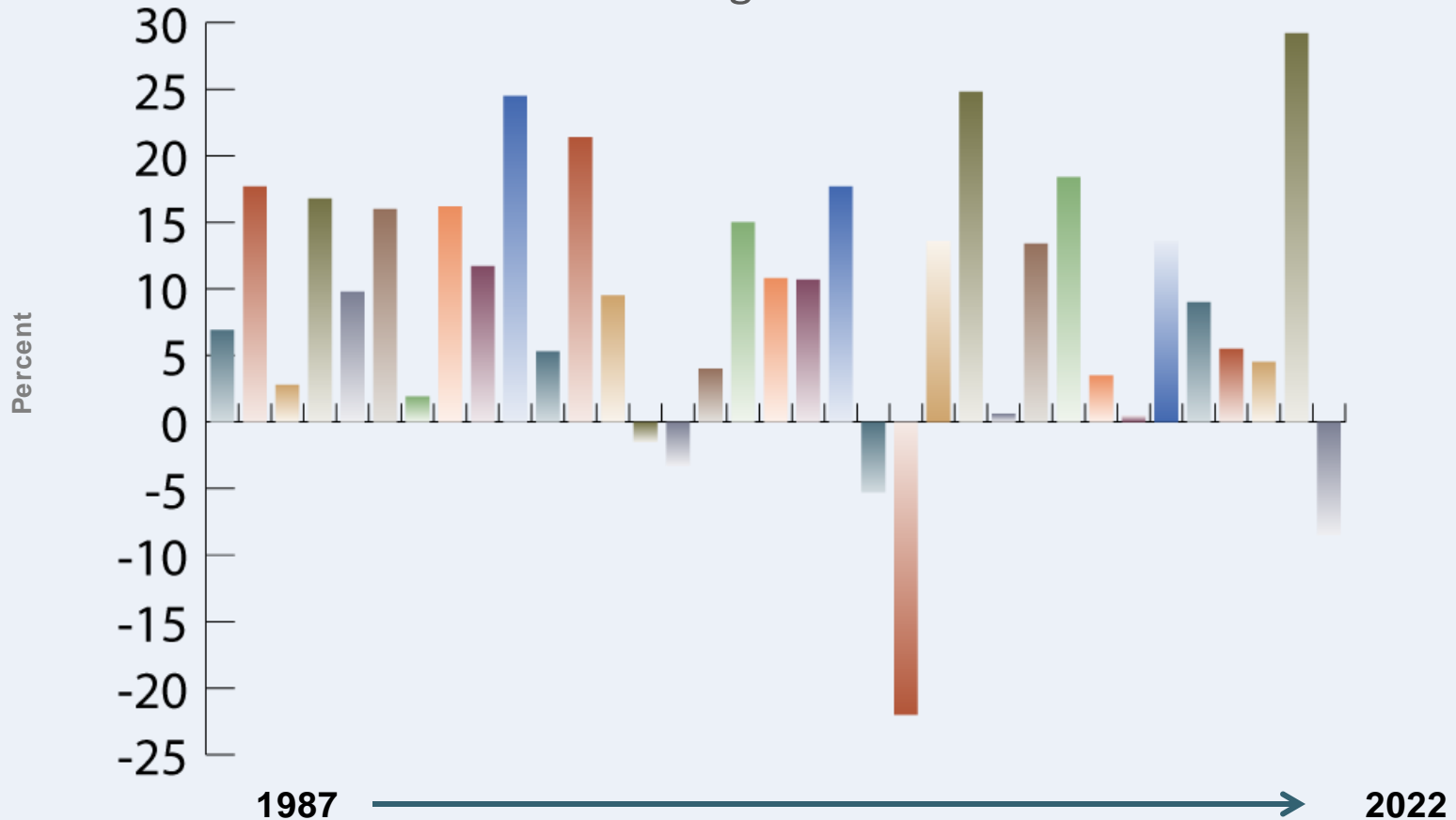
	Fiscal Year 2022	Last 3 Years	Last 5 Years	Last 10 Years	Last 25 Years	Since Inception (1/91)
CTPF	-8.82	6.93	6.94	8.14	6.81	8.11
Benchmark	-11.05	5.35	6.15	7.53	6.38	7.74

CTPF Annualized Returns

C + I = B + E

CTPF Annualized Rate of Return 1987-2022

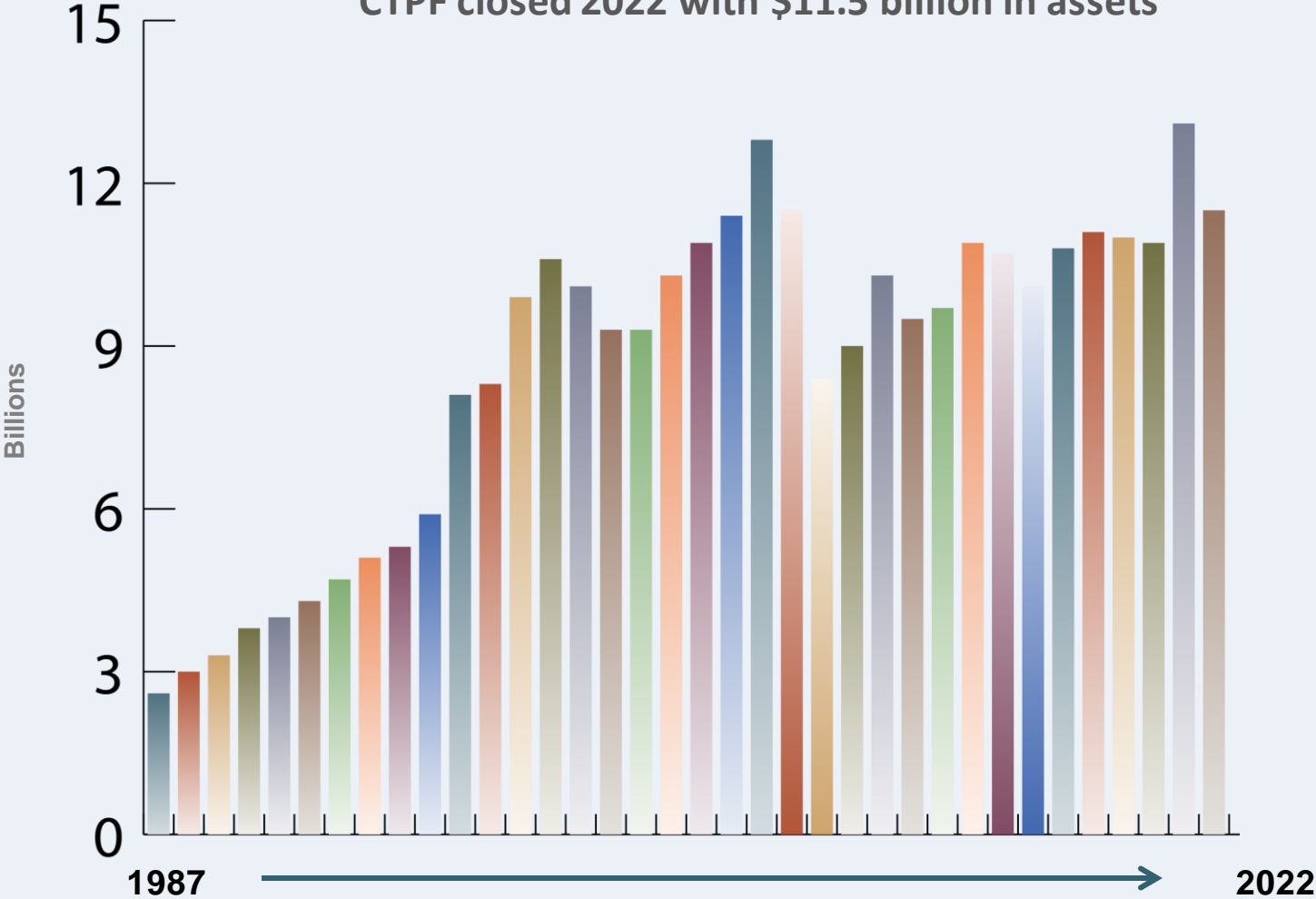
35-Year Average Growth Rate: 8.5%



Historic Fund Value

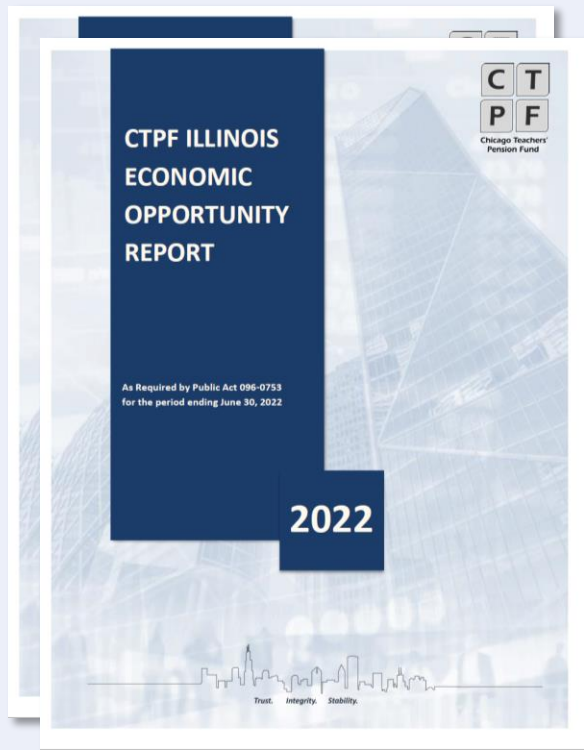
$C + I = B + E$

CTPF Fund Values 1987-2022
CTPF closed 2022 with \$11.5 billion in assets



Commitment to Illinois

C + I = B + E



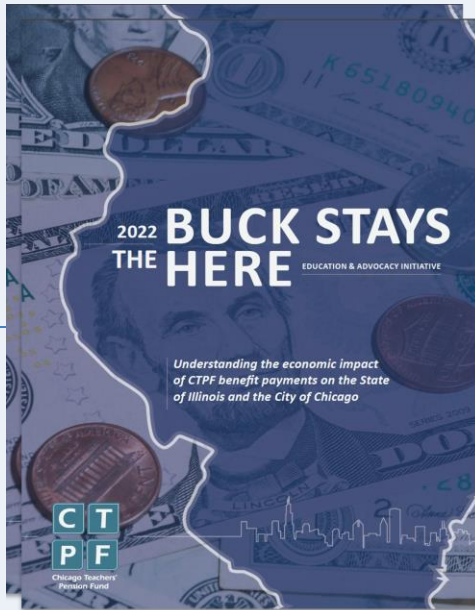
As of June 30, 2022, Total Market/Fair Value of Illinois-based investment managers was \$2.1 billion or 18.1% of the total CTPF investment portfolio.

Investments in companies across the state from Abbott Laboratories to Zebra Technologies

Report is available online at ctpf.org.

The Buck Stays Here

CTPF MEMBERS' IMPACT EXTENDS BEYOND CLASSROOM



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.

Summary

1. CTPF is a well-managed fund with sound investment policy and 8.5% return during the past 35 years.
2. Chronic underfunding and a lack of investment caused the funded ratio to drop.
3. Legislation passed by the Illinois General Assembly in 2017 reestablishing a dedicated tax levy and requiring the State of Illinois to make normal cost contributions have helped put CTPF on a path toward financial stability.
4. About 48% of our investments are held by MWDBE managers and 18.1% of our assets are held by Illinois-based managers.
5. Pensions investments benefit Illinois generating more than \$2.0 billion in economic activity and supporting 13,000+ jobs in the state.

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Fall Updates

New Member Welcome

Defined Benefit Plan

Your retirement pension is:

- based on service credit, final average salary (FAS), and the pension multiplier
- paid throughout your lifetime
- protected from inflation with an annual increase

Estimating a Pension

Visit ctpf.org/pensioncalculator and plug in your information.

Reciprocal Pension

The Illinois reciprocal act may allow you to combine your service credit. Visit the Reciprocal Systems section on ctpf.org for more information.

Survivor Benefits

If the unthinkable happens, your pension can protect your family. Your surviving spouse and/or dependent minor children of both active and retired members may qualify to receive survivor benefits.

CTPF Governance

CTPF is governed by an independent Board of Trustees that includes 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



Jeffery Blackwell
President



Mary Sharon Reilly
Vice President



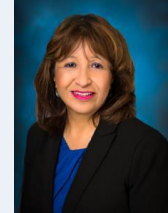
Miguel del Valle



Victor Ochoa



Tina Padilla



Maria J. Rodriguez



Jacquelyn Price Ward
Financial Secretary



Lois Nelson
Recording Secretary



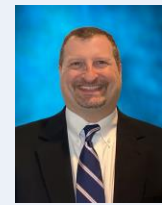
Jerry Travlos



Dwayne Truss



Quentin S. Washington



Philip Weiss

Board Members are CTPF Fiduciaries.

2022 Elections



This Fall CTPF will hold elections for:

- Two Teacher Trustees (three-year terms 2022-2025)
- One Principal/Administrator Trustees (three-year term 2022-2025)

Elections End November 4, 2022

1. Teachers and Administrators can collect validated digital signatures or traditional petitions (Due September 30).
2. Voting credentials will be distributed by mail and email.
3. Credentials will be mailed the week of October 17, 2022, and voting will open the day materials are mailed.
4. Please vote if you are eligible to do so.



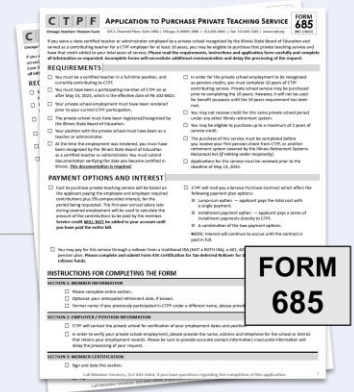
Find More Information on
the Election Central page at ctpf.org

2023 Private School Teaching Service

C + I = B + E

Active Teachers and Administrators can Purchase Private School Service

- State certified teachers or administrators who were previously employed by a private school recognized by the Illinois State Board of Education can apply to purchase service.
- You must be a certified teacher in a full-time position, and currently contributing to CTPF, with at least 10 years of service.
- You must have been a participating member of CTPF on or after May 13, 2022, which is the effective date of PA-102-0822.
- You may be eligible to purchase up to a maximum of 2 years of service credit. The purchase of this service must be completed before you receive your first pension check.
- Applications must be filed no later than May 13, 2024.



2023 Open Enrollment for CTPF Plans

C + I = B + E

Open Enrollment October 1-31, 2022

Changes effective January 1, 2023

2023 Open Enrollment Highlights

- All plans offered in 2022 will be offered in 2023
- You do not need to take any action to stay enrolled in your current plan.
- CTPF Trustees voted to keep the Health Insurance Premium Subsidy at 60%, effective 1/1/2023.



Open Enrollment Resources are available
online at ctpf.org/open-enrollment

2023 Open Enrollment for CTPF Plans

C + I = B + E

Open Enrollment Education Week | October 3-7, 2022

Visit ctpf.org/open-enrollment for more info.

2023 Open Enrollment Highlights

- CTPF will host a series of Medicare and Non-Medicare webinars and dial-in calls, October 3-7, 2022
- The *2023 Open Enrollment Handbook* has been mailed and is posted online.
- CTPF's Open Enrollment webpage has commonly requested forms and information.
- Vendor week will be October 10-14 with vendor presentations.



Open Enrollment Resources are available
online at www.ctpf.org/open-enrollment

Return to Work Updates

2022 Legislative Changes

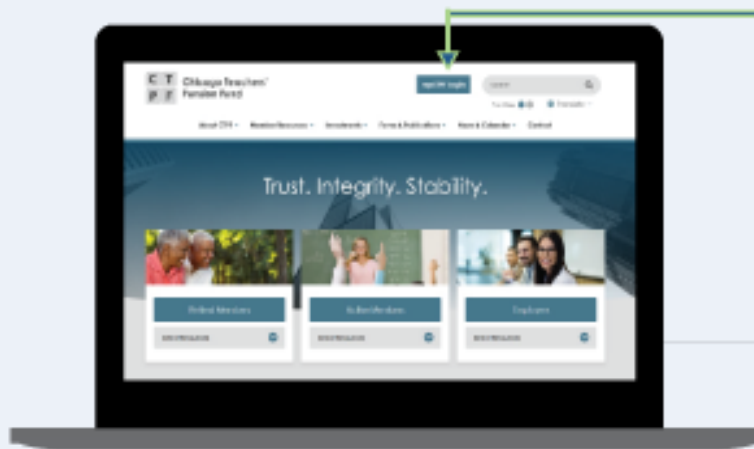
Public Act 102-1090 increases the number of **days** on which a retiree can return to work on a temporary and non-annual or hourly basis without having their benefits cancelled from 120 to 140 and removes compensation limits previously in effect.

Public Act 102-1013 allows a retiree to return to work without limitation or cancellation of their pension if they are employed in a subject shortage area for an employer that has demonstrated that they cannot otherwise fill the position(s).

This legislation is now in effect and expires June 30, 2024.

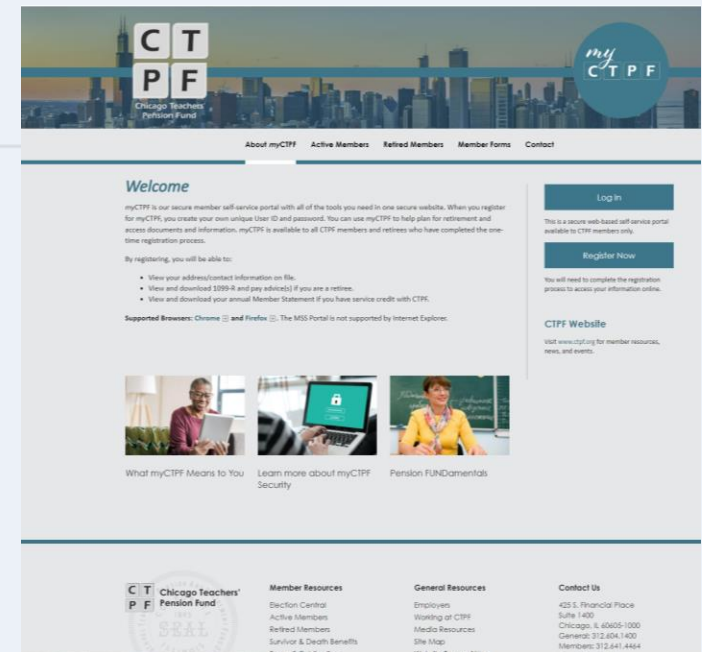
myCTPF Available

myCTPF Portal



myCTPF Login

Register Today!
Visit ctpf.org



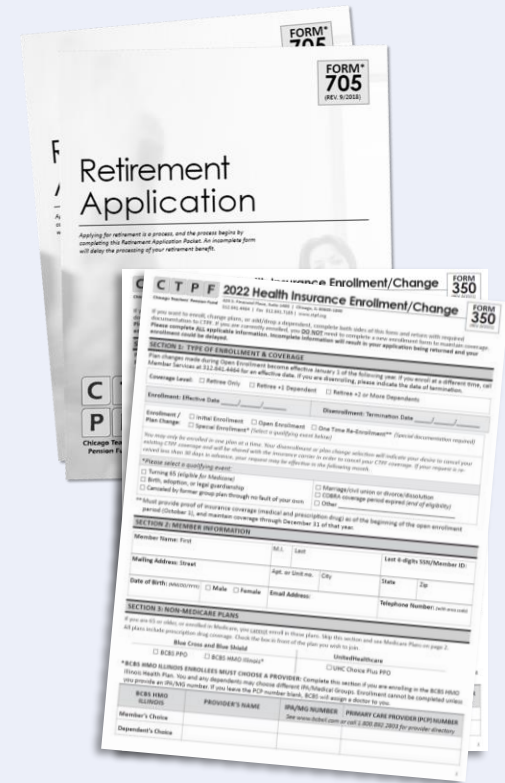
Document Delivery

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.



Stay Informed and 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

- Current members update through your employers
- Annuitants update through member services, email memberservices@ctpf.org or call 312.641.4464.

3. Register at *my*CTPF

View your personal information and download a Member Statement, Pay advice, or 1099.

4. Visit ctpf.org

- Find news and information about the Fund

Follow Us!



@ Chicago Teachers' Pension Fund



Thank You

For more information, please contact

CTPF Member Services:

312.641.4464 |

MemberServices@ctpf.org



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