

Town Hall Webinar

January 31, 2024



Chicago Teachers' Pension Fund



For CTPF Members

Today's Presenter



Carlton W. Lenoir, Sr.
CTPF Executive Director

Welcome

- CTPF Overview**
- Funding Overview**
- 2023 Highlights**
- Winter Reminders**
- Staying Informed & Connected**



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CTPF Overview

CTPF Overview

As of June 30, 2023



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 94,000 members:

31,824

Active members

27,474

Annuitants

6,947

Vested terminated members

27,834

Unvested terminated members



Active Contributors

- 76% women
- Average age 42.9
- Average years of service 11.1
- 51% Tier 1
- 49% Tier 2

Retired Members

- 73% women
- The average age is 77.9

Financial Overview

\$12.0
billion in assets*

47.2%
funded ratio**

6.5%
Investment Assumption

8.5%
35-Year CAGR

9.1%
FY 2023 return



CTPF members do not contribute to Social Security during covered employment. **Employee contributions are 9% of pensionable earnings.**

*January 25, total fund value

** June 30, 2023, data, calculated at the close of the fiscal year, based on the actuarial value of assets.

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.

2023-2024 CTPF Board of Trustees

As of 1/1/2024



Jeffery Blackwell
President



Mary Sharon Reilly
Financial Secretary



Paula S. Barajas



Victor Ochoa



Maria J. Rodriguez



Jerry Travlos



Jacquelyn Price Ward
Vice President



Lois Nelson
Recording Secretary



Tammie F. Vinson



Quentin S. Washington



Tanya D. Woods

Meeting Schedules, agendas, and recordings available at ctpf.org

2024 Trustee Elections



This fall CTPF will hold elections for:

2 Teacher Trustees

Teachers will serve three-year terms from November 2024-2027.



Election Packets will be available April 1, 2024
(email elections@ctpf.org)



CTPF Pension Reps are a primary source of Election information, if your school doesn't have a Pension Rep and you'd like to serve email elections@ctpf.org. Pension Reps can earn up to \$100 per year for their service to CTPF.



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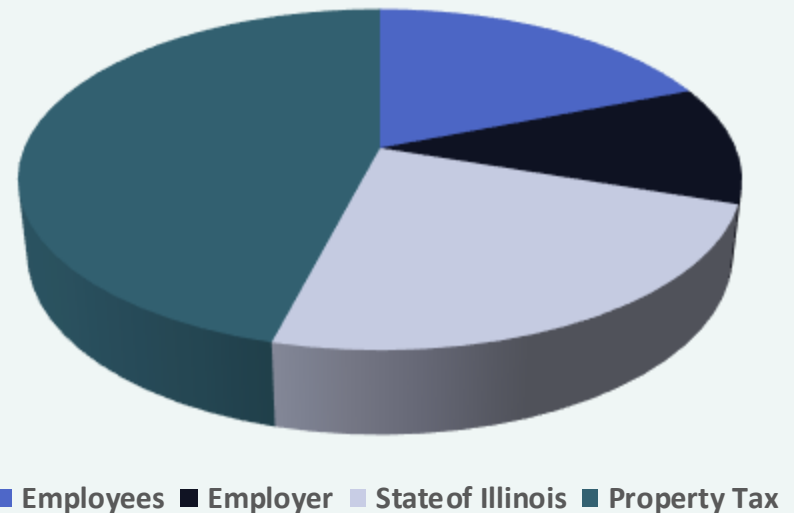
Funding Highlights

2023 Revenue Sources

$$C + I = B + E$$

In addition to revenue from investments, CTPF receives revenue from four major sources: the State of Illinois, a tax levy, CPS, and employees. CTPF recognized approximately \$1.1 billion in revenue for fiscal year 2023:

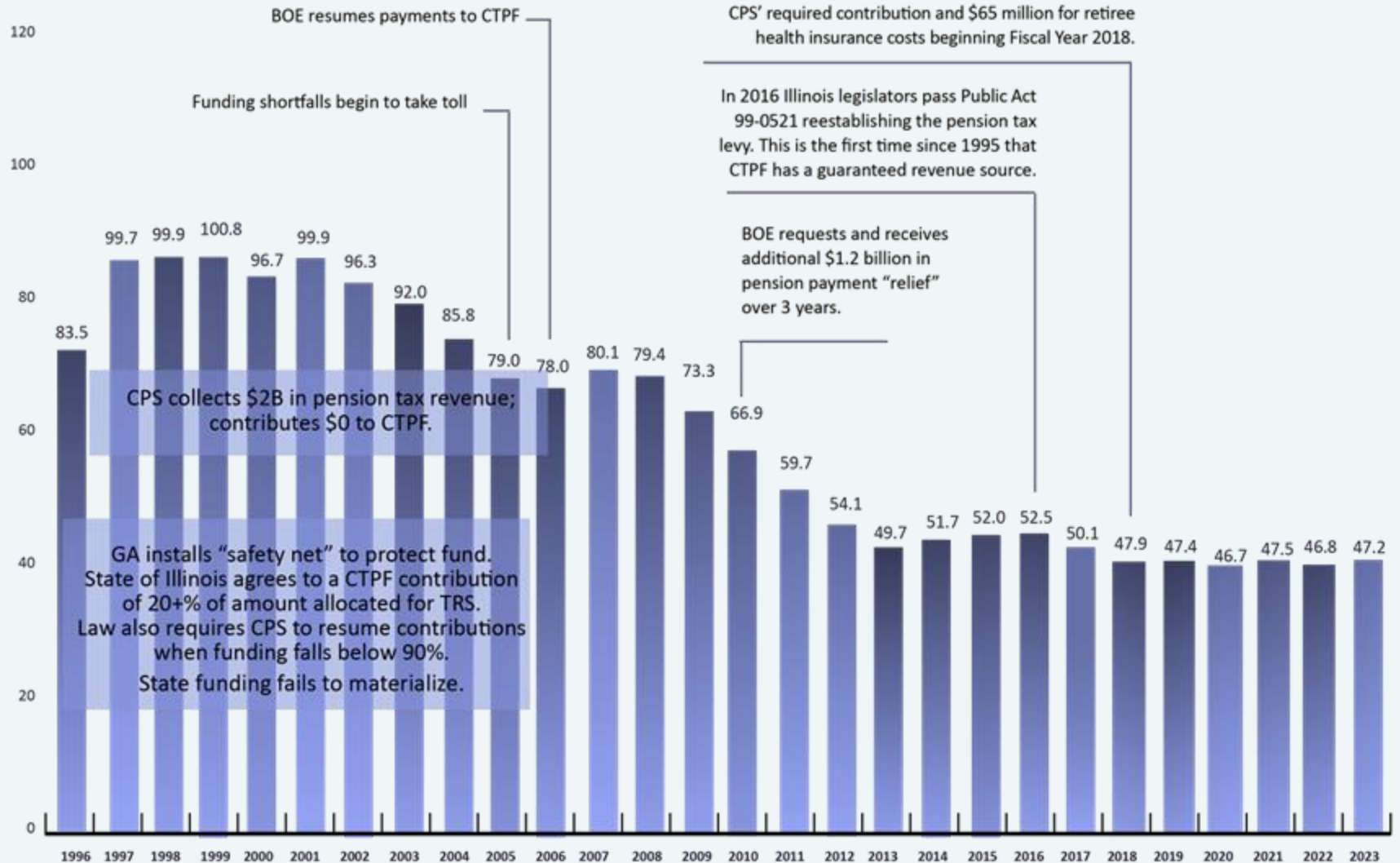
- \$536.6 million from property tax receipts
- \$308.7 million from the State of Illinois
- \$240.1 million from employee contributions
- \$15 million from the Chicago Board of Education (CPS)



Current funding status: 47.2% (FY 2023)

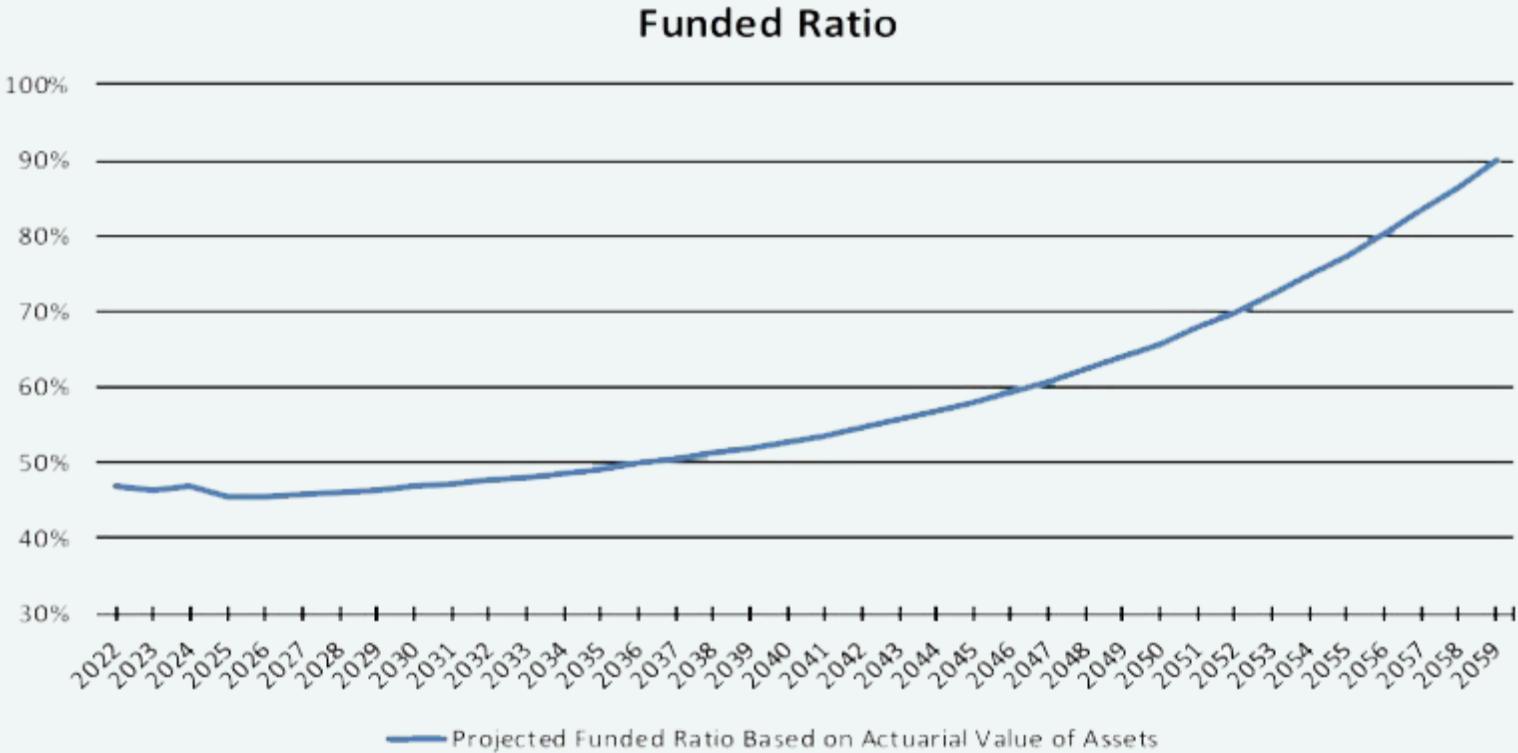
CTPF Funding Ratio History

Public Act 100-0465 increases the tax levy to 0.567%. Requires the State of Illinois to pay the normal cost portion of the CPS' required contribution and \$65 million for retiree health insurance costs beginning Fiscal Year 2018.



CTPF Funding Ratio Projected Growth

The statutory funding policy required for CTPF provides for level percent of pay funding that produces a funding target of 90% by 2059.



Investment Overview

$$C + I = B + E$$

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

CTPF Annualized Returns

C + I = B + E

CTPF Annualized Rate of Return 1988-2023

35-Year Average Growth Rate: 8.6%

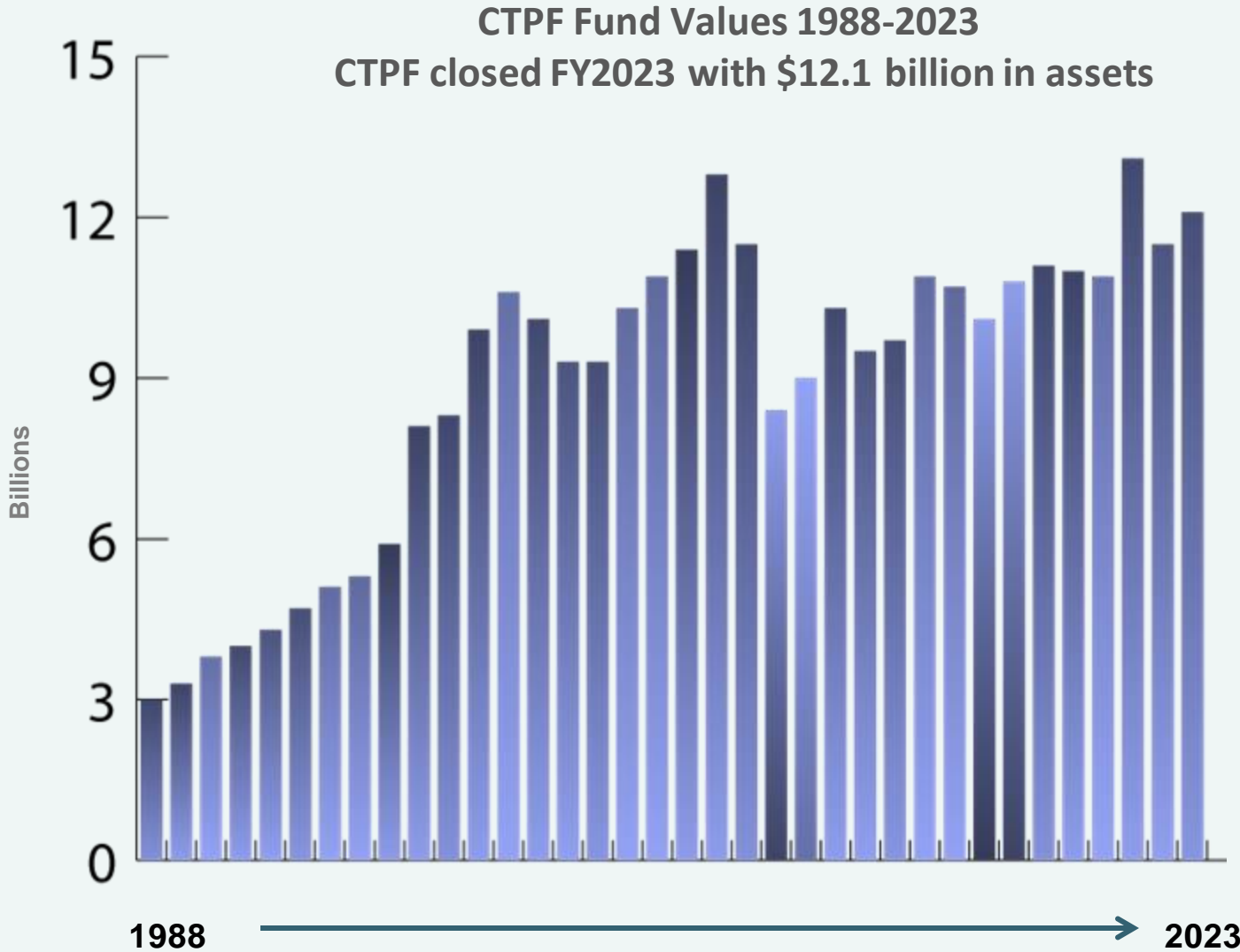
Expected return 6.5%

2023 return 9.1%

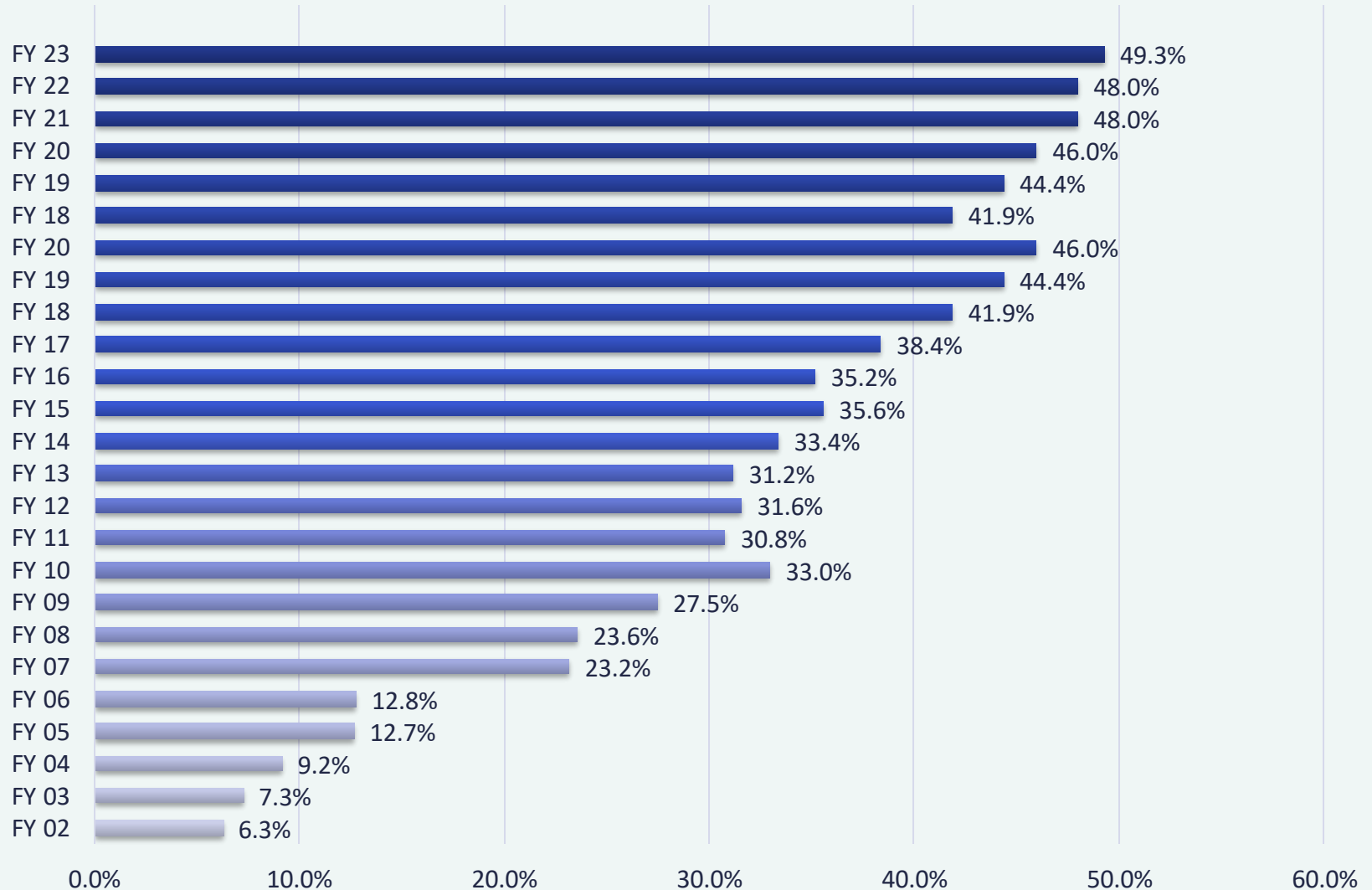


Historic Fund Value

C + I = B + E



Total MWDBE % Growth Since 1998



Social Responsibility

- Engagement with fossil fuel manufacturers and divestment or offset by 2027 (2022)
- Withdrawing Investments in Russia and Supporting the Ukrainian People (2022)
- Divest from Public Market Holdings in Private Prisons and Detention Centers (2018)
- Support a lawsuit against the pharmaceutical manufacturers, wholesalers, distributors, and pharmacy benefit managers who have helped to create and perpetuate the nation's opioid crisis (2018)
- Divest from assault weapons manufactures (2013)

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2023 Year in Review

44



36



2023 Highlights



CTPF responded to over 73,000 phone calls and answered more than 14,500 emails in in FY 2023. Member Services offers in-person, phone, and video counseling for members.



Member Services offered multiple webinars to assist and educate thousands of members on retirement, health insurance open enrollment, Medicare eligibility, Medicare enrollment, health insurance rebate form completion, and general benefits information through our CTPF to You program.

2023 Highlights



Processing over 600 retirement applications, and 900 refunds for the Fiscal Year 2023.



CTPF provided health insurance coverage for 16,400 retirees, and 1,350 rebates for outside coverage, and initiated an RFP process which helped hold-down rates for Medicare members.



Proceeded with enhancements to the *myCTPF* Member Self-Service portal which allows members to access certain information and request estimates from a secure website.

2023 Highlights



In-person meetings resumed in May 2023, and CTPF offered 40 public meetings throughout the year. CTPF offers a hybrid meeting plan with remote access available for all meetings.



CTPF published its first Strategic Plan in 2022, and completed its goals for Fiscal Year 2023. The plan was updated in August of 2023 and is available at ctpf.org.



CTPF earned the Great Place to Work certification for the first time in the organization's history.

2023 Highlights



Achieved a 9.1% rate of return in 2023. CTPF is a long-term investor and continues to exceed its long-term benchmarks.



Committed to engaging fossil fuel companies and to divesting from fossil fuel holdings and/or to investing in viable clean energy sources to fully offset the Fund's fossil fuel investments by December 2027.



Invested \$5.8B or 49% of total Fund assets with Minority, Women and Disadvantaged-Owned Business Enterprise firms in fiscal year 2023.



Conducting an asset allocation study and added private credit as an asset class.

2023 Highlights



CTPF has updated financial systems and processes and to streamline and improve expense reporting and budgeting, and ensured that 100% of funds due to CTPF were collected from CPS and the State.



The Fund reestablished the Internal Audit function to help ensure continuous improvement, accountability, and transparency for the organization.



Communicated frequently with members including bi-monthly Enews, Pension news, a robust social media presence, a dynamic website with daily updates and other engagement.

The background features a city skyline, likely Chicago, with prominent skyscrapers like the Willis Tower. The skyline is reflected in a body of water. In the foreground, a person is seen on a small boat or pier, looking out towards the city. The overall color palette is muted, with blues, greys, and soft whites.

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Winter Reminders

2024 New Year Changes

2024 Health Insurance and AAI

- CTPF Trustees voted to keep the Health Insurance Premium Subsidy to 60%, effective January 1, 2024.
- New health insurance rates in effect January 1, 2024
- AAI included in January paychecks
- 1099 Forms were mailed today, January 31, and will be available at *myCTPF* by February 1st



Contact CTPF Member Services if you need additional information or have questions about your 2024 pension payment.

2024 Retirement Webinars

If you're considering retirement in 2024, we invite you to join CTPF for a retirement webinar.

Monday, February 19, 2024	Tuesday, March 26, 2024
<p>Webinar 9:00 a.m. or 1:00 p.m.</p> <p><i>Register by February 9th to receive a pension estimate in time for the webinar.</i></p>	<p>Webinar 9:00 a.m. or 1:00 p.m.</p> <p><i>Register by March 15th to receive a pension estimate in time for the webinar.</i></p>



Registration available at ctpf.org/calendar
Find Retirement Resources at
ctpf.org/retirement-resources

2024 Legislative Agenda

1. Support the provisions of HB 4098 where it aligns with CTPF's goals, if the legislation is brought forward in 2024.
2. Lead the discussion and pursue amendments to the Open meetings Act to provide for remote meetings at the discretion of the organization.
3. Pursue return to work penalty reform to reduce the penalty for exceeding the limitation on days worked for temporary or non-annual return to work.
4. Clarify the language in the Tier 2 Benefit Formula for Automatic Annual Increases and Survivor Pensions.
5. Amend the law to allow a CTPF intercept of state funds for uncollected pension obligations.
6. Amend the School Code to provide that CPS is responsible for delinquent pension contributions on the part of charter schools.

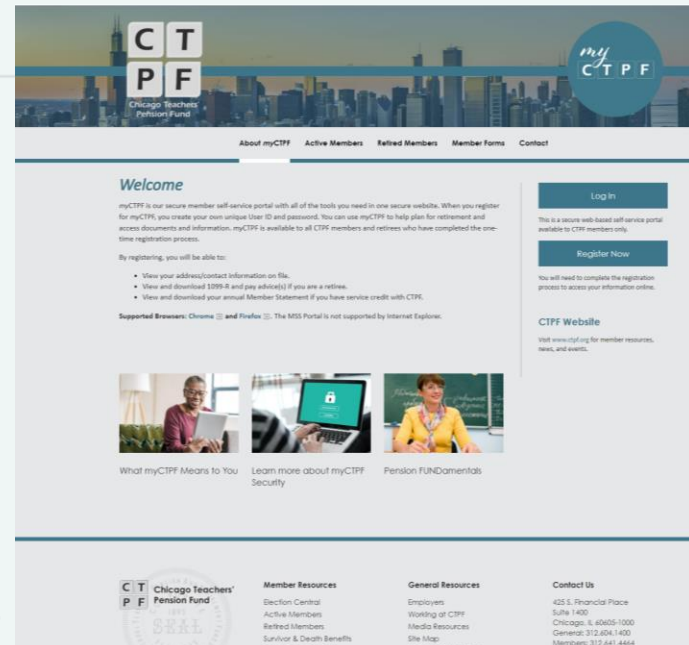
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Staying Informed & Connected

myCTPF Portal



myCTPF Login



Register Today!
Visit ctpf.org



Stay in Touch

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

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
- Retirees update through member services

Visit www.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 | ctpf.org

MemberServices@ctpf.org



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