

# Public School Teachers' Pension and Retirement Fund of Chicago

## PENSION NEWS

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August 2003



**Governor Blagojevich and CPS Guarantee Health Insurance Funding!** For the fiscal year beginning July 1, 2003, CTPF will receive \$65 million in health insurance funding from the State of Illinois through CPS. The funding is not identified as a separate line item in the State of Illinois Budget. It is included in the overall appropriation the State is making to the Chicago Public Schools. CPS will make the \$65 million contribution on a regular and monthly basis to CTPF. The official letter from the Office of the Governor is on our web site.

**CTPF Needs Support for Health Insurance Bill** HB1269, sponsored by Representative Robert Molaro, increases the amount that CTPF can spend on health insurance benefits each year. The Trustees are seeking to raise the cap from \$40 million to \$65 million plus interest. Look for more information in the fall!

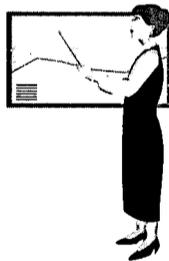
### CTPF Mission Statement

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 efforts, utilizing sound actuarial and accounting principles, investment policies and management expertise, in compliance with applicable laws and standards. *Please let us know how we can improve our service to you!*

### 2003 Investment Program

*The following is a summary of key activities the Trustees are considering:*

- Reviewing Trustee fiduciary responsibilities
- Developing securities litigation policy, corporate governance policy, proxy voting policy, and ethics policy
- Reviewing current money manager contracts and renegotiating lower fees
- Reviewing current venture capital managers, conducting manager due diligence, determining cash flow needs and determining whether additional investments should be made
- Reviewing minority and women business enterprise policies and brokerage fees
- Refining the U. S. equity (stocks) portfolio – combining index funds, reviewing investment guidelines and conducting manager due diligence
- Restructuring the real estate portfolio
- Investigating hedge fund opportunities



### CTPF Remains Financially Strong and Earns 9.6% in 2<sup>nd</sup> Quarter 2003

Recent reports from our investment managers reflect total investment appreciation of more than \$800 million during the 2<sup>nd</sup> quarter of 2003. Investments now total nearly \$9.2 billion, up from \$8.4 billion only 3 months ago. Trustees and investment professionals of CTPF will continue their long-term perspective on the asset allocation and make no significant changes to the strategic asset allocation of the portfolio.

**Member Information System Progress** continues on the development of a new member database and information system that will greatly improve information flow and the time required to calculate and pay out benefits. Once the database is completed and tested (*est. 2004*) we will concentrate on making the database interactive with our website. Future plans include offering health insurance open enrollment and other services on-line.

**Is Your Designation of Beneficiary on File at CTPF?** If you have never filed a beneficiary form with CTPF, this is an excellent time to do so. Many teachers believe that they have one on file because they file one with CPS, but that is not the case. Each member of the pension fund must have a designation on file. On the other hand, if you have a form on file that is more than 5 years old, this would be a great time to review it to make sure that it is current. You can request a designation form or review your current one by calling or writing CTPF.

### Board of Trustees

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Jack Silver

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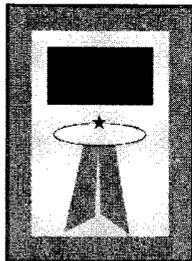
Executive Director: Michael J.Nehf

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### CTPF Earns Achievement

**Award** The Government Financial Officers Association recently awarded CTPF a *Certificate of Achievement for Excellence in Financial Reporting* for the thirteenth consecutive year! In order to



be awarded the certificate, CTPF must publish an easily readable and efficiently organized, comprehensive annual financial report, whose contents conform to the program standards. These reports satisfy both generally accepted accounting principles and applicable legal requirements. A copy of last year's report is available on our web site.



### Visit CTPF on the Web

Our web site, [www.ctpf.org](http://www.ctpf.org), was published in July 2001. The web contains important information and updates on legislation, benefits and frequently asked questions.

**Pension Representatives Corner** Pension Representatives have always been considered an essential ingredient in our goal to serve our members. Last Fall a survey was sent out to each Pension Representative. Representatives responded with suggestions and positive replies to our questions regarding their desire to better understand their responsibilities in order to serve their fellow members.

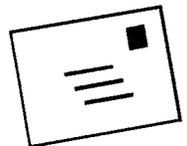
Our first project in response to their suggestions is a Handbook for Pension Representatives. We are targeting distribution of this handbook to coincide with the beginning of the school year. Additional plans include offering pension seminar opportunities for representatives in early Fall.

**Election Notice** The staff at CTPF is already making preparations for the upcoming Trustee elections. Election of Teacher-Trustees will take place on Friday, October 24th. The Pensioner-Trustee election will be held on Friday, November 7th.

### Member Survey Responses Show CTPF

**Making the Grade!** We received nearly 4,500 responses to the member services survey sent out earlier this year. The results were overwhelmingly positive! Over 91% of the respondents scored CTPF member service a grade of 4 or 5 on a scale of 1-5, with 1 being low and 5 being high. Categories tallied included service provided, the pension application process and timely response to member requests. Thanks to all members who responded to the survey. Suggestions for improvement included improved communication, timely responses to letters and telephone calls, more information regarding Board meetings and streamlining the pension application process. Over the next several months, we will work to enhance services that are important to you.

**Mailing Address** You should keep a current home address on file with us so that we can mail correspondence and other information to the correct location. If your address changes, please call (312) 641-4464 or write us to request a Change of Address form.



### How to Reach Us

Have a question? You may write, call or visit our office. We also have information on our web site.

**Office and Mailing address**  
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Chicago, IL 60601

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