



2022 Retirement Webinar



Retirement on the Horizon

WELCOME!






Chicago Teachers' Pension Fund

AGENDA

-  Introduction with Executive Director Lenoir
-  Important CTPF Reminders & Tips

Understanding the Retirement Process

-  Resignation Process with Your Employer
-  Retirement Process with CTPF
-  Questions & Answers



CTPF Executive Director Welcome Message & Fund Updates

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 DEFINED BENEFIT PLAN

CTPF Pension

- Not based on market conditions
- Cannot be outlived
- Includes a survivor benefit

Pension Formula Calculation

- Service credit
- Final Average Salary
- Pension percentage (to a maximum of 75%)

Final Average Salary x Years of Service x 2.2% = Pension

CTPF DEFINED BENEFIT PLAN

Pension Mechanics $C+I = B+E$

- Teachers and employers contribute to CTPF, invested funds earn interest, and benefits are paid out in the form of pensions. Contributions + Investment = Benefits + Expenses
- When all stakeholders participate, a pension is an efficient vehicle for providing a stable retirement and retaining valuable employees.
- A DB can deliver the same retirement income to a group of employees at nearly half the cost of a DC Plan.

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.

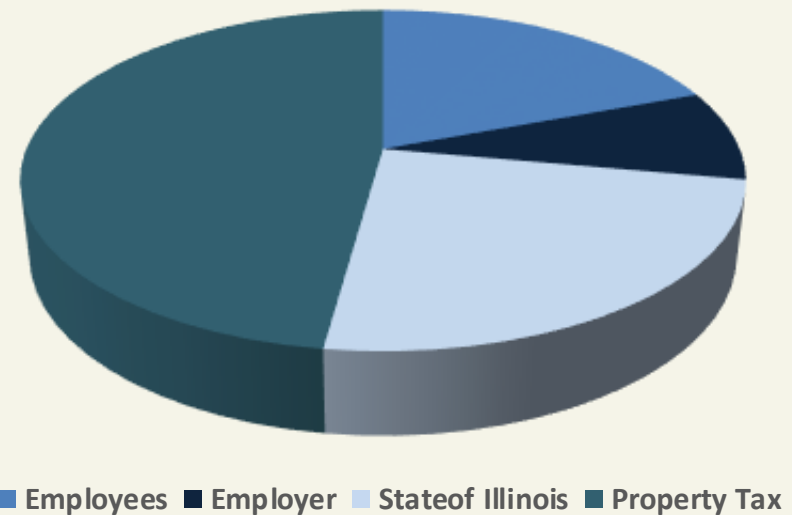
Board members are CTPF Fiduciaries.



2021 REVENUE SOURCES

In addition to investment revenue, CTPF receives contributions from four major sources: the State of Illinois, a tax levy, CPS, and employees. CTPF received \$1.1 billion in revenue as of June 30, 2021:

- \$524.9 million in property tax receipts
- \$266.9 million from the State of Illinois
- \$211.9 million from employee contributions
- \$94.1 million from the Chicago Board of Education (CPS)



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 Summary (July 1, 2021 – June 30, 2022)

Total Assets as of December 31, 2021: \$13.4 billion

	Fiscal Year to Date (12/31)	Last 3 Years	Last 5 Years	Last 10 Years	Last 25 Years
CTPF	4.7	16.5	11.8	10.3	7.9
Benchmark	4.5	15.7	11.4	9.9	7.5

2021 Fiscal Year Summary

Investment returns as of June 30, 2021 28.7%

\$13.1 billion in assets

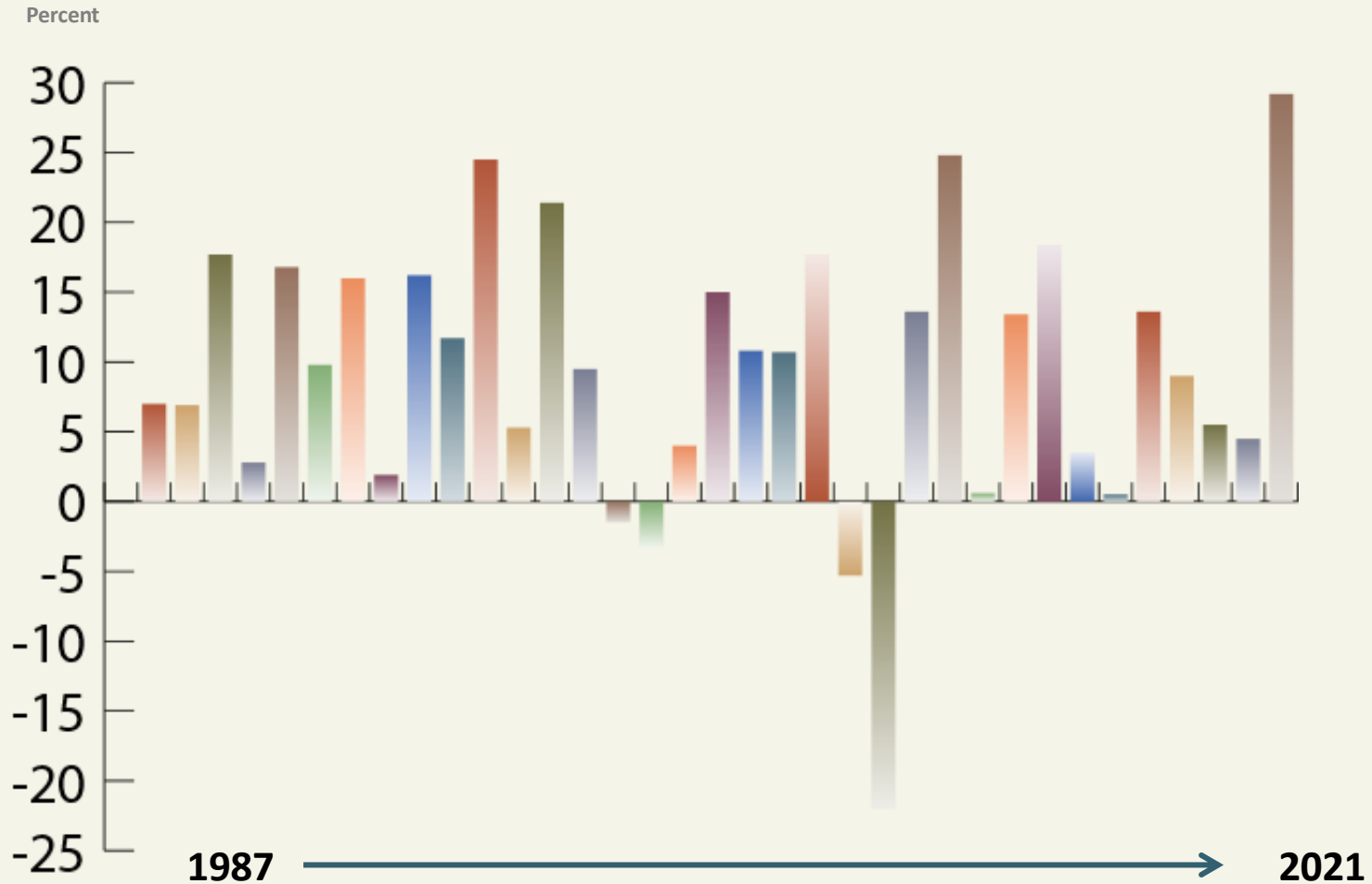
Investment Assumption: 6.5%



CTPF INVESTMENT RETURNS

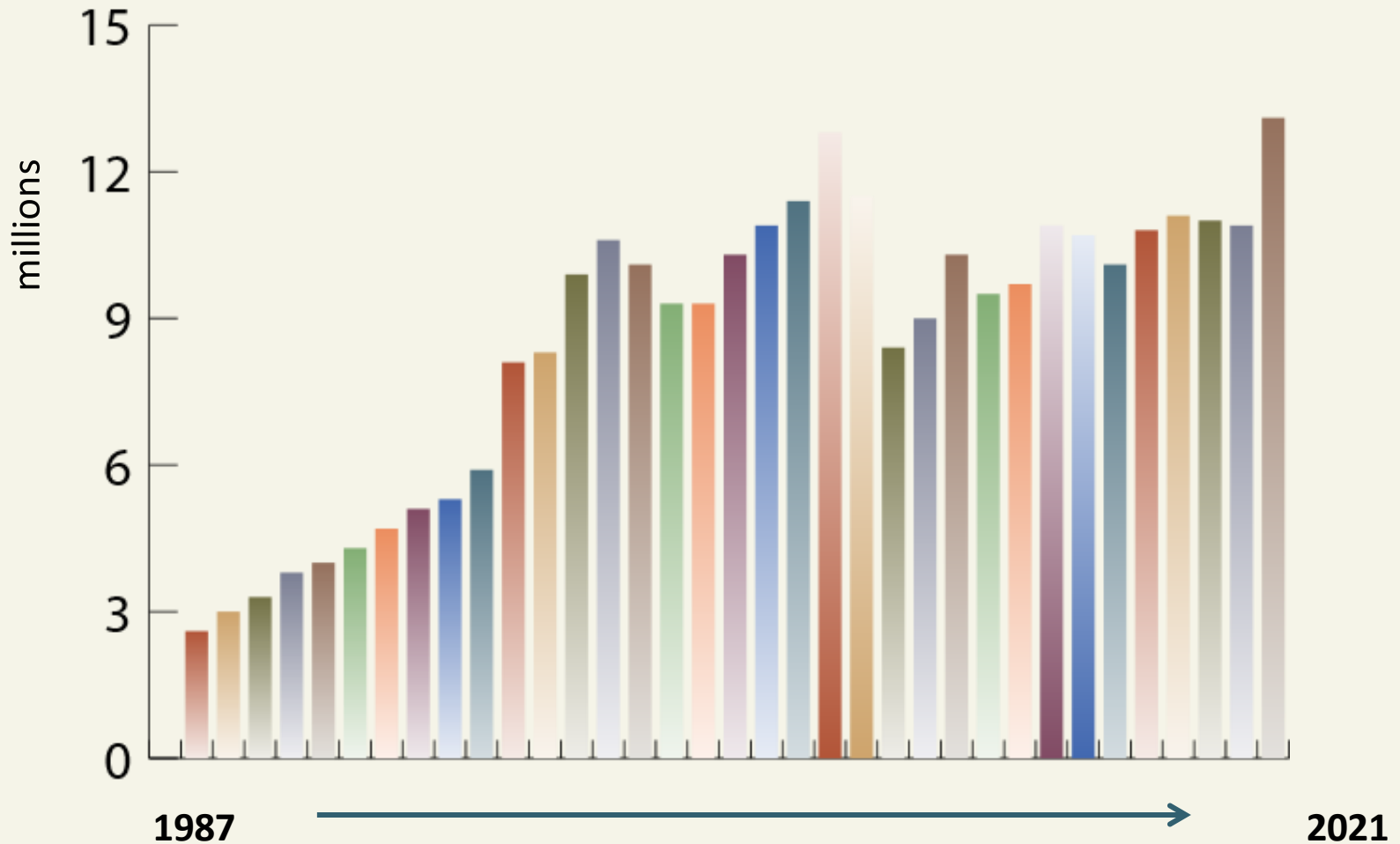
Investment Return Assumption is 6.5%

CTPF Annualized Rate of Return 1987-2021 35-Year Average Growth Rate 8.97%



HISTORIC FUND VALUE

CTPF Fund Values 1987-2021



STAKEHOLDER ORGANIZATIONS



**Retired Teachers
Association of
Chicago (RTAC)**
www.rtac.org



**Chicago Teachers
Union (CTU)
Retiree Unit**
www.ctulocal1.org



**Chicago Principals and
Administrators
Association,
Auxiliary 16**
chicago.theschoolleader.org

Important CTPF Reminders & Tips

CTPF COVID-19 OPERATIONS



COVID-19 poses health risks but is also an economic threat. Markets have declined and there will likely be continued uncertainty moving forward.



We have procedures in place to ensure the payment of member benefits, even if normal business is interrupted.



CTPF pensions are secure and are based on a formula, not market conditions.

OFFICE CLOSED TO VISITORS

Due to the Covid-19 Pandemic, we are not accepting visitors at CTPF.

Resources for Members



Member Services accepts calls from 8:00 a.m. until 5:00 p.m., Monday-Friday. Call Member Services with questions at 312.641.4464. Phone and video counseling are available.



Email Member Services at memberservices@ctpf.org and your message will be returned.

Visit: [ctpf.org/retirement-resources](https://www.ctpf.org/retirement-resources)

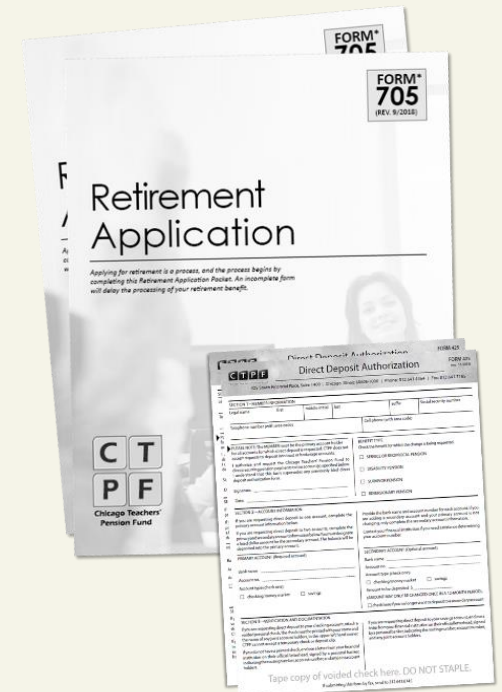
SUBMITTING DOCUMENTS

The best way to send documents to CTPF is electronically:

- Fax to 312.641.7185 or
- Email with attachment to imaging@ctpf.org

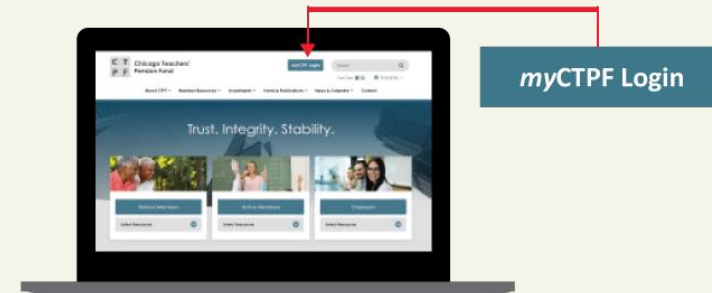
We highly encourage electronic document submission.

After documents are sent via fax or e-mail please send the originals to CTPF.



REGISTER TODAY FOR *myCTPF*

CTPF has launched its new Self-Service Portal, *myCTPF*. Members who register for *myCTPF* create their own unique User ID and password. Once an account is created, members can use *myCTPF* to securely access CTPF documents and information.



Registered members can:

- View address/contact information on file with CTPF.
- Retirees and surviving spouses can view and download a 1099-R and pay advice(s).
- Active and inactive members can view and download their annual Member Statement and request a pension estimate, if eligible.
- *myCTPF* is available to all CTPF members who complete the one-time registration process.

RESIGNATION PROCESS WITH YOUR EMPLOYER

Resignation Process & Your Responsibilities

Sick Day Payout

*COBRA

***Discussed during Post-Retirement Health Insurance Options**



RESIGNATION PROCESS

- Contact CTPF for pre-retirement counseling (*obtaining pension estimate*)
- Complete an **Application for Resignation** before applying for your pension
 - ✓ Resignations are irrevocable upon receipt by the CPS Talent Office
 - ✓ Although paper submissions are still accepted, completing and submitting your resignation electronically by going to cps.edu/staff under “Frequently Used” is faster and more efficient.
 - ✓ Due to COVID-19, submit completed resignation form electronically via email to staffingservices@cps.edu
 - ✓ Employee Services mailing address is 2651 W. Washington Blvd, Chicago, IL 60612.

NOTE: Charter employees should contact their employer.



FINAL PAYOUT–BENEFIT DAYS

It is the goal of CPS to process retirees' final payout of vacation days on the pay date which follows your last regular paycheck following your separation.

- While CTPF uses outside service time for pension purposes, CPS uses internal service time to calculate final payout.
- Employees will receive a final payout statement from CPS Payroll Services that will show details used to calculate the payout amount, such as: daily rate, years of service, age.



FINAL PAYOUT *(CONT'D)*

Key points

- Be sure to update your contact information with your Employer.
- CPS will mail check/pay advice to the last address on file.
- During these extraordinary times of COVID-19, payment distribution via direct deposit is the only way to ensure a benefit payment.
- Spring and/or winter vacation days accrued will be paid, as applicable, with the final payout.



UNUSED SICK DAY PAYOUT

The payout of unused grandfather sick days is determined pursuant to the Board Policy on Paid Time Off, section 302.9 of board report 21-0428-PO2, and does not apply to employees in a job category listed as not benefits-eligible which includes the part-time and substitute teacher job categories. Following are the criteria used to determine the payout if deemed eligible.

ELIGIBILITY CRITERIA	CALCULATION RATE
Have 33.95 years of service with CPS	100%
Have a minimum of 20 years of service with CPS but less than 33.95 years	90%
Have attained the age of 65 and have less than 20 years of service before the start of the following school year	85%



UNUSED SICK DAY PAYOUT METHOD*

The amounts derived based on the calculation rate will either be paid cash or deposited into an annuity.

Following are the rules for payout:

PAYOUT AMOUNT	PAYOUT METHOD
Equal to or less than \$2,000	Cash
Between \$2,000.01 and \$80,000	Annuity Rollover
Amounts in excess of \$80,000	Cash

* Only sick days granted before 06/30/12, grandfather sick days, are included in the sick day payout calculation. Sick days granted after 06/30/12 are non-compensable and thus will not be included in the sick day payout calculation



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

Chicago Public Schools contributes, on behalf of eligible retirees, the value of their unused sick pay to a 403(b) plan.

For A Participant Currently Enrolled in the 403(b) Plan:

- The payout will be made to the Plan Service Provider(s) to which the participant most recently allocated his/her salary reduction agreement; i.e., contributing to the plan on your last working paycheck. Does NOT include inactive accounts.
- The contribution will be sent to the service provider within 60 days of the final payout statement being issued to the employee.
- The contribution will be applied to the employee's account based on the employee's investment allocation. The employee has the option to leave the funds invested in the account after retirement or to move the funds (such as to an Individual Retirement Account).



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

Rollover of Unused Sick Days into an Annuity

For an employee not currently enrolled in the 403(b) plan:

- At the time of the payout, if an employee is not enrolled in the 403(b) Plan, CPS will send the payout to AIG on the employee's behalf. The payout will be within 60 days of the final payout statement being issued to the employee and will be placed in a Target Date Fund Account. The retiree may change the investment allocation and/or leave the funds in this account with the service provider after retirement, or elect to move the funds (*such as to an Individual Retirement Account*).
- Any Union employee may voluntarily enroll in the 403(b) Plan by contacting one of the preferred service providers to begin making tax deferred contributions from one's paycheck. Please check the HR4U Portal for a list of vendors and links to their websites.



ROLLOVER OF UNUSED SICK DAYS INTO AN ANNUITY

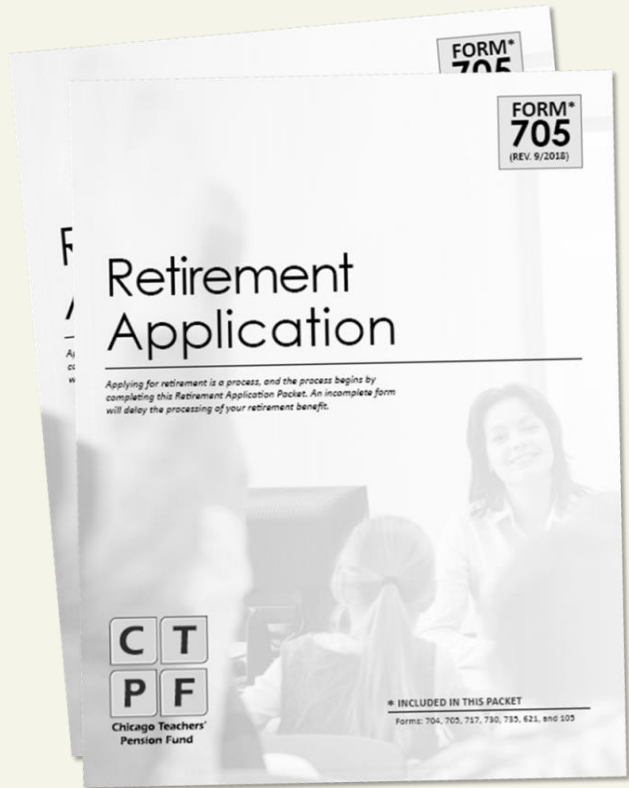
Contribution Amount

- The maximum contribution is \$80,000.
- If a retired employee has more than \$80,000 in accumulated sick pay, the excess will be paid directly to the retired employee.
- The maximum annual contribution limit for 2022 is \$61,000. If the retired employee was contributing to a 403(b) plan, the amount would be subtracted from the \$61,000.
- Example: If the retired employee had already contributed \$17,000 in 2022, the maximum contribution from the unused sick pay would be \$44,000 for the 2022 calendar year. If the sick pay were greater than \$44,000, the excess payment would be made in subsequent years.

Chicago Teachers' Pension Fund

Retirement Process

OVERVIEW



- ✓ Maximizing Your Pension
- ✓ Pension Facts
- ✓ The Retirement Process
- ✓ Pension Payment
- ✓ Eligible Refunds
- ✓ Understanding the Health Insurance Process
- ✓ Reciprocity

UNDERSTANDING THE 2.2 UPGRADE

For service credit earned prior to July 1, 1998, the percentage used in the pension formula is determined using incremental factors as low as 1.67%.

Years of Service Credit	Before July 1, 1998	After July 1, 1998
First 10 years	1.67% per year	2.2% per year
Second 10 years	1.9% per year	2.2% per year
Third 10 Years	2.1% per year	2.2% per year
Years beyond 30	2.3% per year	2.2% per year

PAYING FOR THE 2.2 FORMULA

Cost to Upgrade

Cost: The upgrade is based on your highest annual salary in the 4 years prior to the year in which you apply for the upgrade, multiplied by 1% for each year of service. The cost to upgrade is shown on your estimate, if applicable.

Discount: Each 3 years of service after July 1, 1998, decreases the cost by 1 year.

Members with 30+ years receive the upgrade at no cost (includes reciprocal time if CTPF is final system).

Payment options from retirement app:

- Choose 24 deductions from finalized pension (recommended)
- Lump Sum



EXAMPLE OF THE 2.2 FORMULA

How the 2.2 Upgrade Works

Jerry is a current Tier 1 member who plans to retire at age 60 with 29 years of service credit. He earned 9 years before July 1, 1998, and 20 years after July 1, 1998. His highest salary in the previous 4 years was \$90,000.

Annual Pension without the 2.2 upgrade

\$53,127

Annual Pension with the 2.2 upgrade

\$57,420

Pension Increase

If Jerry decides to purchase the 2.2 upgrade, his annual base pension will increase by \$4,293.

Cost to Upgrade

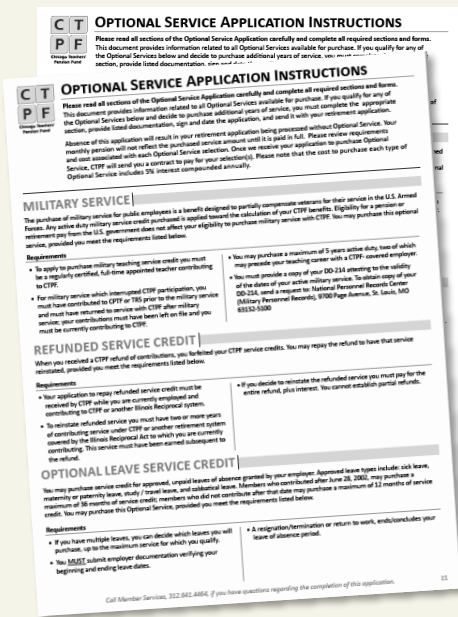
$1\% \times \$90,000 \times 3 \text{ years} = \$2,700$ (In Jerry's case, CTPF upgraded 6 years at no cost)



PURCHASING SERVICE

Service may be purchased for the following:

- Approved, unpaid leaves (**Form 645**)
- Refunded service (**Form 635**)
- Public teaching service as a certified teacher in a public school (**Form 655**)
- Military service (**Form 625**)
- If you are purchasing service at the time you submit your retirement application, you must use **Form 621** instead.



HOW TO PURCHASE SERVICE

Steps for Completing the Purchase Process

1. It is your responsibility to complete an application for the specific type of service for which you wish to apply. Applications are available on the CTPF Website or contact Member Services.
2. Upon receipt of your application with required supporting documentation, CTPF will send you a bill for the service purchase. You must pay the Fund in full or indicate in writing that you do not intend to purchase service.
3. You must complete payment in order for CTPF to finalize your pension. Your pension cannot be finalized until you complete Step 2.



UNDERSTANDING RECIPROCALITY

The provisions of the Illinois Retirement Systems Reciprocal Act (*reciprocal act or reciprocity*) allow individuals who earn service in more than one covered system to combine their service and coordinate benefits at retirement. Thirteen Illinois public pension systems are covered under the Reciprocal Act.

When you choose to retire with a reciprocal pension, each system calculates benefits based on your highest final average salary (FAS) and pays a proportion of your pension. Concurrent service will not be awarded.



THE RECIPROCITY PROCESS

To retire under the reciprocal act you must meet the following conditions:

- Resign with all employers and apply with each system.
- The service you earned in each reciprocal system must be at least one year.
- Your combined service must meet the vesting and age requirements of each system before payment can begin.

PARTICIPATING RECIPROCAL SYSTEMS

1. Chicago Teachers' Pension Fund
2. County Employees' Annuity and Benefit Fund of Cook County
3. Forest Preserve Employees' Annuity and Benefit Fund of Cook County
4. General Assembly Retirement System
5. Judges' Retirement System of Illinois
6. Illinois Municipal Retirement Fund
7. Laborers' Annuity and Benefit Fund of Chicago
8. Metropolitan Water Reclamation District Retirement Fund
9. Municipal Employees' Annuity and Benefit Fund of Chicago
10. Park Employees' Annuity and Benefit Fund of Chicago
11. State Employees' Retirement System of Illinois
12. State Universities Retirement System of Illinois
13. State Teachers' Retirement System

Contact information for each reciprocal fund is available on ctpf.org

PENSION FACTS

- Pension effective date is the first day after resignation, **unless the resignation date falls within the last payroll period worked, then the effective date becomes the day following the close of that payroll period**, or the time the person resigning or retiring attains eligibility age, or on a date elected by the teacher, whichever shall be latest
- Paid for life
- Payable on the first business day of each month
- Pensions may be exempt from state income tax depending on state of residence (*e.g., Illinois exempt*)
- Pensions are subject to federal income tax
- The last day of work for CPS teachers in the 2021/2022 school year is *currently* scheduled to be June 16, 2022. If you work up until the last day, the earliest possible effective date of your pension is June 19, 2022.

AUTOMATIC ANNUAL INCREASE

Tier 1

3% of pension compounded annually, beginning 1 year after retirement, or at age 61, whichever occurs later

Tier 2

Lesser of 3% or 1/2 of any increase in the CPI for the preceding year, beginning 1 year after retirement or at age 67, whichever occurs later.



SOCIAL SECURITY AND YOUR PENSION

- Your CTPF pension is not affected by a Social Security benefit.
- For those eligible for Social Security benefits, there are two provisions that may apply to you:
 - **The Windfall Elimination Provision** – If your Social Security benefit is based on your own contributions, this may result in a lower Social Security benefit.
 - **The Government Pension Offset** – If your Social Security benefit is based on your spouse's contributions, your Social Security benefit will be reduced by two-thirds of your CTPF pension.

For additional information on these provisions, visit www.socialsecurity.gov or call toll-free 1-800-772-1213.

SURVIVOR PENSIONS

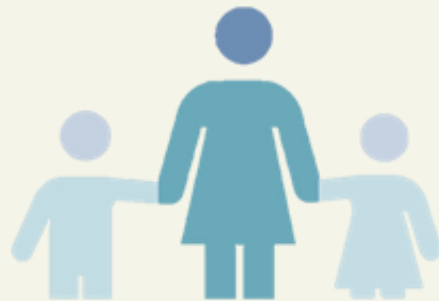
Tier 1:

50% of the retired member's retirement annuity

Tier 2:

66 2/3% of the retired member's retirement annuity

Surviving spouse must be age 50 or have surviving minor children. The marriage must have occurred at least one year before the member's death.



DEATH BENEFITS

- Death benefits payable to designated beneficiaries
- Must have current designation on file
- Keep designations and beneficiary contact information up to date: submit updated form at least every five years
- Check your annual member statement

CTPF **DESIGNATION OF BENEFICIARY** **FORM 105**
REV. 2/2011

203 North LaSalle Street, Suite 2600 | Chicago, IL 60601-1231
Phone: 312.641.4464 | Fax: 312.641.7185 | www.ctpf.org

The Designation of Beneficiary form allows CTFP members to designate individuals who will be paid any available lump-sum death benefits at their death. It does not affect or determine survivor benefits, which are only payable to an eligible spouse or minor child. CTFP will not accept forms with cross-outs, white-out information or alterations. This form becomes effective when the original signed, notarized form is received by the CTFP office.

BENEFITS PAYABLE UPON DEATH

Depending on the member's status at the time of death, CTFP provides the following lump-sum benefits to the beneficiaries of a deceased member:

- A lump-sum death benefit and/or
- A refund of contributions that the member made to the Fund, which are remaining at the time of the member's death.

INSTRUCTIONS:

SECTION 1 - MEMBER INFORMATION
Please provide all requested applicable information.

SECTION 2 - PRIMARY BENEFICIARY INFORMATION
Enter the requested information for each beneficiary.

HOW ARE BENEFITS PAID? Death benefits are paid to:

- The primary beneficiary designated by the member on the latest Designation of beneficiary form on file with CTFP.
- The alternate beneficiary designated by the member, if no primary beneficiary survives.
- The member's estate, if no primary or alternate beneficiary survives.

WHO CAN BE NAMED AS A BENEFICIARY? Any person or trust may be designated as a primary or alternate beneficiary. If you name a trust, provide the legal name of the trust/and or trustee, the trust number, the date established, and the contact information for the trust. A creditor (i.e. bank, credit union or loan company) **NEVER** NOT be named as a beneficiary.

ADDITIONAL BENEFICIARIES: If you wish to name more than four primary beneficiaries, cross out the words "Alternate Beneficiary" in section 3, and write your initials and continue.

NAMING A MINOR: Death benefits payable to a minor are paid in care of the minor's guardian or custodian under the Illinois Uniform Transfers to Minors Act.

DISTRIBUTION OF BENEFITS: If more than one person is named as beneficiary, all will share equally in the benefit unless specific shares (percentages) are written in the "% share" box. If you enter percentages, the total must equal 100%. If specific shares are written in, the benefit will be distributed as directed.

- If a named beneficiary does not survive, his or her shares will be distributed among any surviving beneficiaries.

SECTION 3 - ALTERNATE BENEFICIARY INFORMATION
Alternate beneficiaries receive death benefits if no primary beneficiary survives. Follow the directions in section 2.

SECTION 4 - SIGNATURE AND NOTARIZATION
Sign and date the form in the presence of a notary. The notary signing this form may not be named as a beneficiary.

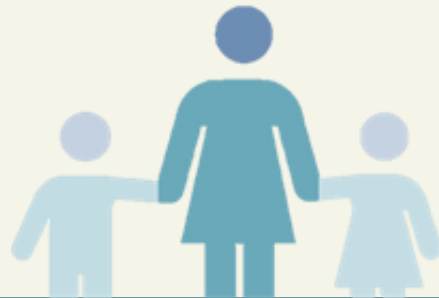
RETURN THE COMPLETED ORIGINAL: CTFP will not accept a faxed or e-mailed version of this form. Make a copy for your records and send the original to:

Chicago Teachers' Pension Fund
203 North LaSalle Street, Suite 2600,
Chicago, IL 60601-1231.

CONFIDENTIALITY: The information contained on your form is confidential and will not be disclosed to anyone except as required by law. If you cannot locate a copy of this form or recall your named beneficiary, contact CTFP.

You can find this form on our website:
http://www.ctpf.org/active_members/memberapplications.htm

Call Member Services, 312.641.4464, if you have questions.



RE-EMPLOYMENT

- **Permanent Re-Employment** in the Chicago Public Schools, a charter school or contract school in Chicago on a permanent or annual basis cancels your CTPF pension on the date your re-employment begins or on the first day of the payroll period for which service credit is validated, whichever is earlier.
- **Temporary and Non-Annual Employment** Retirees may return to work for an Employer(s) subject to CTPF Re-employment rules (120-day limit & compensation limit). A retiree who teaches only drivers' education courses is limited to working no more than 900 hours in a year.

RE-EMPLOYMENT

- The Re-employment Rules are included in the retirement packet. (See Form 717)
- If you are thinking about future re-employment with either CPS, a charter or contract school, you must submit CTPF Form 770 or Form 773.
- If your benefit is cancelled due to re-employment and you retired under reciprocity, your benefit may also be cancelled with the reciprocal system.

CTPF ACKNOWLEDGEMENT OF PENSION CODE PROVISIONS GOVERNING RE-EMPLOYMENT **FORM 717**
Chicago Teacher Pension Fund 425 South Financial Plaza, Suite 1400 | Chicago, IL 60609-1000 | 312.641.4464 | Fax 312.641.7185 | www.ctpf.org (REV. 1/2022)

SECTION 1: MEMBER INFORMATION

Member Name: First	M.I.	Last	Last 4 digits of SSN or Member ID:	Date of Birth:
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SECTION 2: CTPF RE-EMPLOYMENT RULES

I. RETURN TO WORK LIMITS

The Illinois Pension Code limits the number of days a retiree can work and the amount of compensation a retiree can earn when returning to work in an ISBE licensed/certified position for the Chicago Board of Education or a charter or contract school (Employer) while receiving a pension from CTPF.

The CTPF Board of Trustees adopted rules for the implementation and administration of the statutory limitations on retirees returning to work for one or more Employer(s). All contributors, as defined by Section 17.306 of the Illinois Pension Code, are subject to the return to work limitations.

A. Permanent or Annual Re-Employment
A retiree may go to work for any entity other than an Employer without restriction. However, if a retiree is re-employed on a permanent or annual basis by an Employer, the pension shall be cancelled on the date the re-employment begins, or on the first day of a payroll period for which service credit was validated, whichever is earlier.

Example 1
A retiree accepts a full-time non-temporary teaching position with the Chicago Board of Education and works for 135 days before terminating employment. The retiree's pension will be cancelled because the re-employment was permanent in nature.

Example 2
A retiree accepts a full-time non-temporary paraprofessional position at a Chicago charter school and works for 70 days before terminating employment. The retiree's pension will be cancelled because the re-employment was permanent in nature.

B. Temporary and Non-Annual Employment
A retiree may return or go to work for one or more Employer(s) without having his or her pension cancelled, if the employment is temporary and non-annual, or on an hourly basis, so long as the following limitations are not exceeded:

1. Days/Hours Worked Limit
A retiree who returns to work on a temporary and non-annual basis is limited to working on no more than 120 days in a year* for an Employer(s). This includes retirees who are employees of third party contractors, of an employment agency, or of any other vendor who are licensed/certified and who contract with the Board of Education or a Chicago charter or contract school to provide services in a position that requires an ISBE license/certificate. Also included are retirees with a contract or agreement with an Employer that characterizes the retiree as an independent contractor.

A retiree who teaches only drivers' education courses, is limited to working no more than 900 hours in a year.*

Example 1
A retiree who returns to work to teach drivers' education courses and teaches as a day-for-day substitute teacher has worked on 121 days in a year. The retiree's pension will be cancelled because the retiree does not exclusively teach drivers education courses after regular school hours and the total number of days worked is more than 120 days in the year.

Example 2
A retiree who returns to work for an Employer as school psychologist, and is an employee of a third party contractor, has worked 121 days in a year. The retiree's pension will be cancelled because the total number of days worked is more than 120 days in the year.

2. Compensation Limit
In addition to the days-worked limit, a retiree who returns to work on a temporary and non-annual basis must not earn more than \$30,000 gross compensation from the Employer(s) in a year.* In the case of a person who retires with at least 5 years of service as an administrator, the limit is the daily rate normally paid to retiring principals multiplied by 100. The gross compensation limit applies to all retirees, including retirees who teach only drivers education courses after regular school hours.

Example 1
A retiree has worked for an Employer on fewer than 120 days in a year. The total amount of gross compensation earned was \$32,000. The retiree's pension will be cancelled because the amount of compensation exceeded the \$30,000 limit.

Example 2
A retiree had 4.5 years of active service as a principal. The total amount of gross compensation earned was \$45,000. The retiree has worked fewer than 120 days. The retiree's pension will be cancelled because the \$30,000 gross compensation limit has been exceeded and the retiree did not have 5 years of active service as an administrator.

Example 3
A retiree who teaches drivers education courses after regular school hours has worked 890 hours in a year. The total gross compensation earned was \$32,000. The retiree's pension will be cancelled because the amount of compensation exceeded the \$30,000 limit.

3. Retiree's Obligation to Notify CTPF
A retiree who intends to return to work must notify his or her Employer(s) and CTPF before re-employment begins.

CTPF notification is made by filing CTPF Form 770 for temporary and non-annual employment, or filing CTPF Form 773 for permanent or annual re-employment. The Employer(s) will establish its own notification process and retirees are responsible for completing those requirements.

*A year is July 1 - June 30.

RE-EMPLOYMENT

Rules for Temporary and Non-Annual Employment

Effective July 1, 2019		
Retiree Type	Employment Limit	Compensation Limit
CTPF retirees who <u>only teach Drivers Education courses in the school year</u>	900 hours	\$30,000 <i>or</i> The daily rate paid to retired principals multiplied by 100 for individuals who retired with 5 years of service as a principal/administrators
All other CTPF retirees	120 days Effective July 1, 2019	\$30,000 <i>or</i> The daily rate paid to retired principals multiplied by 100 for individuals who retired with 5 years of service as a principal/administrator

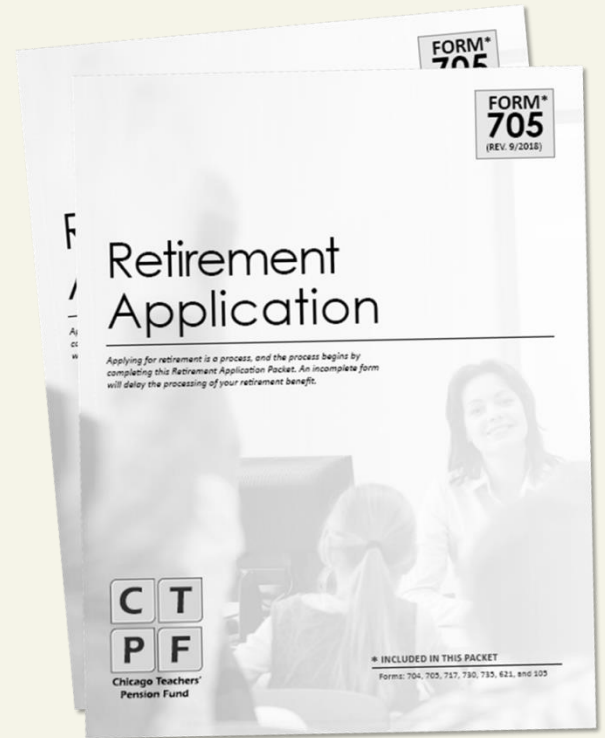
RETIREMENT PROCESS YOUR TO-DO LIST

1. Resign from Board of Education and/or Charter School
2. Complete the Retirement Application in full and Submit to CTPF:

Form 705 Retirement Application

Form 717 Acknowledgement of CTPF Re-employment Rules

Form 730 Retiree Acknowledgement of Health Insurance Responsibility and Intent



Phone and video chat counseling appointments with Member Services representatives are available to review your application and answer questions.

ADDITIONAL REQUIRED FORMS



Form 735 (If Applicable) Health Information Release



Form 105 Designation of Beneficiary



Form 621 (If Applicable) Optional Service Application

The image shows a stack of three forms from CTFP (Chicago Teachers' Pension Fund). The top form is Form 705, 'DESIGNATION OF BENEFICIARY', dated 9/2018. Below it is Form 105, 'DESIGNATION OF BENEFICIARY', dated 10/2018. The bottom form is Form 735, 'HEALTH INFORMATION RELEASE', dated 9/2018. The forms are slightly offset to show their edges.



Reminder

If retiring under reciprocity you must resign and submit an application to the reciprocal system as well.

REQUIRED DOCUMENTS

Notice of Legal Name Requirement

You must provide evidence of your legal name at retirement. The documents you present as proof of identity including your Social Security card, photo identification, and Medicare card/letter (if applicable), must bear the same legal name.

All Applicants:

- 1. Proof of age:** birth certificate, naturalization papers, or current passport
- 2. Proof of Social Security number:** Social Security card or recent W-2
- 3. Photo identification:** current (not expired) driver's license, state identification, or current passport
- 4. If 65, a copy of Medicare A & B card** or letter of entitlement from Medicare



REQUIRED DOCUMENTS

Applicants who are married or joined in a civil union, widowed, or divorced

Confirm that copies of the following additional documents are included (as applicable):

Married or joined in a civil union

- Spouse's birth certificate or current passport
- Marriage or civil union license

Widowed

- Marriage or civil union license
- Spouse's death certificate

Divorced

- Certified divorce or dissolution of marriage or civil union decree
- Court certified QILDRO (if applicable)



Important Note:

Only complete applications with **ALL** required documents will be accepted.

PENSION PAYMENT

Once the employer has confirmed your resignation, CTPF will process **preliminary** monthly benefits determined by the following:

- ☑ Eligibility based on age, service, and salary records as reported by your employer to CTPF
- ☑ Confirmed reciprocal service *(if applicable)*
- ☑ Verification of payment of any optional service i.e., sick, study, military leaves *(if applicable)*
- ☑ Your account will be audited once final records from your employer are received. Your benefit will be revised and reconciled at that time.



MONTHLY PENSION BENEFIT PAYMENT

- Assuming retirement in June, expect your first preliminary monthly pension benefit by September, assuming all required documents are received in a timely manner.
- Direct deposit is the preferred payment method. Please be sure to **submit a voided check** with your application when you elect this method.
- If your pension includes any reciprocal service, receipt of your first preliminary monthly pension benefit will depend upon when CTPF receives certification from the other system(s). This notification process can often take 3 months or more.



ELIGIBLE REFUNDS

- 2.2 Upgrade refund with interest, if you previously paid the 2.2 Upgrade cost and meet the criteria to receive the upgrade for free or at a reduced cost based on:
 - 30 or more years of service credit
 - 3 for 1 calculation
- Members with at least 37.8 years of service credit may qualify for an additional (1%) refund.
- Refund of survivor's contributions
 - No eligible spouse or minor children at the time of retirement
- Refund of Previously Purchased Service
 - If total service is in excess of amount required to pay the maximum pension percentage



Chicago Teachers' Pension Fund

Post-Retirement Health Insurance Options

HEALTH INSURANCE

What are Your Insurance Options?

- Up to 18 months Continuation of Coverage (COBRA) through your employer (CPS or Charter school) if under Age 65
- A CTPF-Sponsored Health Insurance Plan
- Other coverage (group insurance through a spouse or private coverage on open market)

PLEASE NOTE: CTPF does not offer vision, dental insurance or an FSA. Make sure you utilize all your FSA funds before you terminate coverage. You may incur claims up to the last day worked. You have until March 31 of the next year to be reimbursed for claims incurred in the previous year.

CTPF Subsidizes Health Insurance Premiums

- 2022: Currently 60% of health plan premiums, including COBRA (under age 65) and base Medicare premiums

Retiree Health Insurance Options

(BY RETIREMENT AGE)



Chicago Teachers' Pension Fund

RETIREMENT AGE

RECOMMENDED ACTIONS

CTPF SUBSIDY OF HEALTH INSURANCE PREMIUM*

Under age 65

PRIOR TO RETIREMENT

- Enroll in health insurance continuation coverage (COBRA) through the CPS COBRA administrator. COBRA enrollment forms will be mailed to you if you are eligible. This is typically your least expensive health insurance option.
- COBRA coverage generally lasts up to 18 months.
- Spouse and dependents are also eligible for COBRA.

THREE MONTHS PRIOR TO COBRA COVERAGE ENDING

- Make an appointment with CTPF to discuss health insurance options.
- Obtain enrollment application(s) for the plan of your choice.

AT LEAST ONE MONTH PRIOR TO COBRA COVERAGE ENDING

- Submit enrollment application(s) to CTPF for the plan of your choice, to be effective the 1st of the month following COBRA termination.

- CTPF provides a partial subsidy of CPS/Charter School COBRA premium cost through your pension benefit with completion of CTPF Form 735.
- The CTPF subsidy of COBRA premiums ends when you become Medicare eligible.

Age 65 or Over

THREE MONTHS PRIOR TO RETIREMENT

- Contact the Social Security Administration to initiate enrollment in Medicare Part A and Part B. Ask for an effective date the first month following retirement (typically July).
- Make an appointment with CTPF to discuss your health insurance options. All CTPF plans are comprehensive and include enhanced Medicare Part D prescription coverage.
- Obtain enrollment application(s) for the plan of your choice.

AT LEAST ONE MONTH PRIOR TO RETIREMENT

- Submit enrollment forms for a CTPF-sponsored Medicare Supplement-type plan (or non-CTPF Medicare Supplement-type plan) with proof of Medicare Part A and Part B enrollment.

- When enrolled in a CTPF plan, subsidy is paid in your pension benefit. CTPF provides partial subsidy of health insurance premiums as well as Medicare Part A and Part B.[†]
- If you choose to enroll in a non-CTPF health plan, you can apply for a subsidy of health insurance premiums. The subsidy is paid retroactively with appropriate documentation of other coverage (CTPF mails subsidy applications annually).
- If you do not enroll in a Part D prescription plan or equivalent at retirement, the Centers for Medicare and Medicaid Services (CMS) may assess a penalty. If you enroll in a CTPF health plan at a later date, CTPF will not subsidize this penalty.

Turning age 65 while on COBRA coverage

IF UNDER AGE 65 AT RETIREMENT

- Enroll in health insurance continuation coverage (COBRA) through the CPS COBRA administrator.

THREE MONTHS PRIOR TO 65TH BIRTHDAY

- You will receive an invitation to a CTPF Medicare Birthday Party where you will have the opportunity to enroll in a CTPF Medicare health plan. All CTPF plans are comprehensive and include enhanced Medicare Part D prescription coverage.
- You may also contact the Social Security Administration yourself to enroll in Medicare Part A and Part B. Ask for an effective date the 1st of the month following COBRA termination.
- Although Medicare enrollment can be delayed without penalties while working, if you do not enroll in Medicare when turning age 65 while on COBRA, it may result in penalties and limit your opportunity to enroll in Medicare.
- Obtain enrollment application(s) for the plan of your choice.

AT LEAST ONE MONTH PRIOR TO 65TH BIRTHDAY

- Submit an enrollment application(s) for the health insurance plan of your choice along with proof of Medicare Part A and Part B.

- CTPF provides a partial subsidy of CPS/Charter School COBRA premium cost through your pension benefit with completion of CTPF Form 735. This CPS COBRA subsidy ends when you become Medicare eligible.
- When you enroll in Medicare in Part A and Part B and enroll in a CTPF plan, the CTPF subsidy is paid in your pension benefit.[†]
- If you choose to enroll in a non-CTPF health plan, you can apply for a subsidy of your health insurance premiums. The subsidy is paid retroactively with appropriate documentation of other coverage (CTPF mails subsidy applications annually).

[†]Members who retire with a pension benefit effective date of July 1, 2016, or later, who must pay for Medicare Part A, do not receive a CTPF premium subsidy for this cost.

COBRA PREMIUMS AND PAYMENTS

- The premium includes the individual monthly cost plus a 2% administration fee.
- Once you have elected COBRA coverage, you have 45 days to make your initial premium payment. Your initial premium payment may include several months. All CPS COBRA payments are made payable to PayFlex. Charter school members should check payment arrangements with their employer.
- Remaining payments are due on the first day of each month. If payment is not received within your 30-day grace period, your coverage will be terminated.



Terminated coverage cannot be reinstated.



2022 CPS COBRA RATES

BCBS - BA HMO	COBRA Premium	60% CTPF Retiree Subsidy
EE Only	\$612.42	\$367.45
EE + 1 Dep	\$1,224.84	\$734.90*
BCBS - PPO		
EE Only	\$739.58	\$443.74
EE + 1 Dep	\$1,479.14	\$887.48*
BCBS - HSA Plan		
EE Only	\$610.69	\$366.41
EE + 1 Dep	\$1,221.39	\$732.83*

***If your dependent is also a CTPF retiree whose final teaching service was with the Chicago Public or Charter Schools, they may qualify for a CTPF subsidy. Please contact CTPF to obtain further information.**

FOR MORE CPS COBRA INFORMATION



Talent Web Site - hr4u.cps.edu



Benefit Enrollment - Log on to hr4u.cps.edu, go to My Benefits, then click on Cobra, to obtain the COBRA enrollment information.

***Please contact PayFlex for CPS COBRA questions
at 800-359-3921.***



NOTE: PayFlex is not able to process COBRA elections in advance of retirement/resignation/termination dates. They will not be equipped to answer specific questions for future participants.

ADVANTAGES OF CTPF INSURANCE PLANS

- Guaranteed enrollment
- Dependent coverage
- Comprehensive coverage with competitive premiums
- Your share of premium costs deducted monthly from pension check
- Your subsidy paid every month in your pension check



CTPF NON-MEDICARE PLANS

BCBS PPO

UnitedHealthcare Choice Plus PPO

BCBS HMO Illinois

CTPF MEDICARE PLANS*

UnitedHealthcare Medicare Advantage
PPO with Express Scripts Part D Prescription Plan

Humana Group Medicare HMO with Part D Pharmacy
Prescription Plan

UnitedHealthcare AARP Medicare Supplement Plan F with
Express Scripts Part D Prescription Plan

Note: Plan F is only available to those who turned 65 before 1/1/2020.



** Must be enrolled in Medicare Parts A & B*

WHAT DOES MEDICARE COST?

2022 MEDICARE PREMIUMS

The Centers for Medicare and Medicaid Services (CMS) has announced Medicare premium rates for 2022.

Part A: (Hospital Insurance) Premium

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

Medicare Part A	Medicare Part A Cost	CTPF Subsidy
40 quarters	0	0
30-39 quarters	\$274	\$164.40
Less than 30	\$499	\$299.40



NOTE: Members who retire with a benefit effective date of July 1, 2016 or later, are not eligible for the Medicare Part A subsidy.

WHAT DOES MEDICARE COST?

2021 MEDICARE PREMIUMS

Part B: (Medical Insurance) Premium

For 2022, all eligible members will receive a Medicare Part B subsidy in the amount of \$100.26. This amount is based on the standard Part B premium of \$170.10. (Of this amount, the included \$3 Part B government surcharge is not eligible for subsidy.)

Medicare Part B	Medicare Part B Cost	CTPF Subsidy
Standard Part B	\$170.10	\$100.26
* IRMAA Adjusted Part B	\$170.10 - \$578.30	\$100.26

IRMAA adjustments are applied to individuals whose adjusted gross income was higher than \$91,000, and to couples whose income was higher than \$182,000, in 2020. CTPF does not subsidize these additional amounts.

See pages 14-15 of the *2022 Health Insurance Handbook* for more information.

MEDICARE



Administered by Centers for Medicare & Medicaid Services (CMS)

Medicare Enrollment Periods

- Initial: at age 65 (3 months prior to 65th birthday)
- Special: if still working and covered as an active employee in a group health plan (3 months prior to retirement)
- General: January-March

ENROLLING IN NON-CTPF INSURANCE PLANS

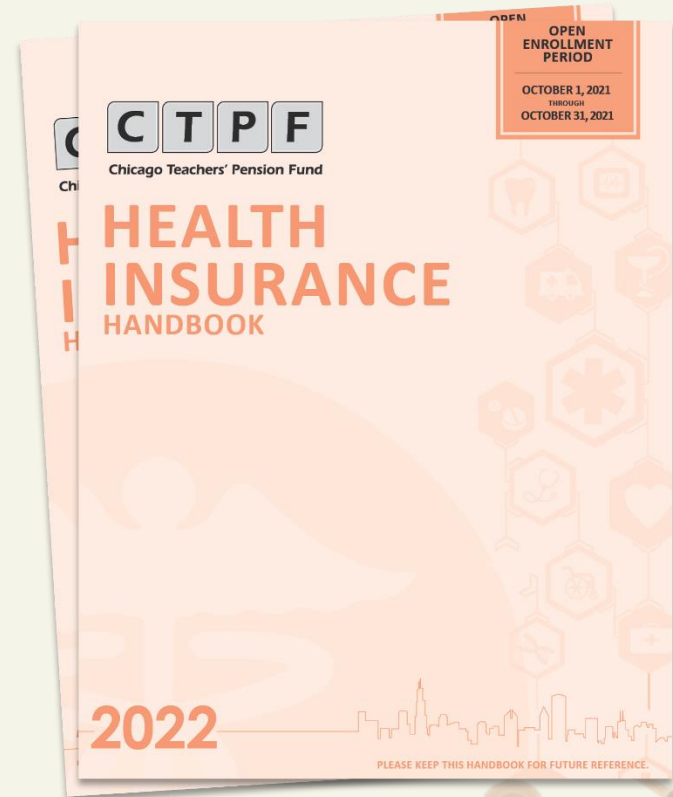
- You retain the option on your own to enroll in non-CTPF sponsored insurance
- You pay all premiums and can apply for a rebate of health insurance and Medicare premiums once a year, retroactively at the applicable subsidy percentage
- CTPF mails a rebate application to those eligible. Proof of premium payment and amount billed is required
- “One and done” rule:

The CTPF Board of Trustees voted to allow eligible members to re-enroll in a CTPF health insurance plan one time without a qualified change in status. Previously, enrollment was only allowed once in a lifetime, unless the member experienced a qualifying event (marriage, birth, death, etc.). Individuals who want to rejoin a CTPF plan must do so during an open enrollment period. A member applying to re-enroll must have proof of insurance coverage (*medical and prescription drug*) as of the beginning of the open enrollment period (October 1) and maintain coverage through December 31 of that year. CTPF insurance coverage becomes effective the following January 1.

CTPF HEALTH INSURANCE HANDBOOK

Consult your insurance handbook for details on CTPF health insurance plans.

You can find the *CTPF Health Insurance Handbook* at ctpf.org



KEEP IN TOUCH WITH CTPF



Address changes



Bank account changes



Tax withholding changes



Designated beneficiary updates



Use *myCTPF* to securely access CTPF documents and information

CONTACT INFORMATION

CTPF Member Services

1-312-641-4464

memberservices@ctpf.org

www.ctpf.org

Chicago Public Schools: Talent Office

1-773-553-4748

http://cps.edu/HR4U

Social Security

1-800-772-1213

www.socialsecurity.gov

Medicare

1-800-633-4227

www.medicare.gov





2022 Retirement Webinar

Retirement on the Horizon

Questions

Office/Mailing Information:

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Chicago Teachers' Pension Fund