



PENSION NEWS

Fall 2022 | Active Members Edition

TRUST. INTEGRITY. STABILITY.



2022 TRUSTEE ELECTIONS

ONLINE VOTING OCTOBER 17 - NOVEMBER 4

CTPF FUNDING UPDATE

A LOOK AT FISCAL YEAR 2022

NEW TO CTPF?

IT'S NEVER TOO EARLY
TO PLAN FOR RETIREMENT



STRATEGIC PLAN

A GUIDE FOR THE NEXT 3 YEARS

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, and to commit to earning and keeping the respect and trust of the participants through quality service and by protecting retirement benefits, in compliance with applicable laws and standards.

CTPF VISION

A premier retirement system, modeling diversity, equity and inclusion, consistently achieving top decile risk-adjusted returns and highly rated by our members for customer service excellence.

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EXECUTIVE DIRECTOR'S MESSAGE

I know we have MORE TO DO in the YEARS AHEAD, but we have PLANNED WELL, and I have NO DOUBT we will again RISE TO THE OCCASION.



Carlton W. Lenoir, Sr.
Executive Director

At its core, the Chicago Teachers' Pension Fund (CTPF) supports educators, hardworking professionals who have dedicated their lives to ensure that Chicago's children have every opportunity to grow into productive citizens. Raised on Chicago's southside, the proud product of Chicago Public Schools, and Whitney Young High School, the Fund's mission to serve members has always resonated with me. I began my career here and although away for over 16 years in executive roles at public funds in Georgia and Downstate Illinois, I always hoped to return to help lead CTPF.

Last year, that opportunity arose, and I accepted the role of Executive Director, rejoining the Fund and embarking on a year of building and learning together with our Board, Senior Leaders and staff. Looking back, it is hard to believe how quickly that year has passed, and how much we have accomplished in such a short time.

I am grateful for the support I received from our Board of Trustees and our stakeholders. While we each have distinct roles, we are united in our goal of ensuring a stable and efficient pension fund.

The journey has led to an incredibly productive year, and I wanted to share some highlights, including:

- Researching and producing the organization's first strategic plan that will guide our work for the next three years.
- Launching Project 125 – a multi-year, enterprise-wide project which will replace our Pension Administration System.

- Navigating a year of incredible volatility in the marketplace, beating our benchmarks for investments, passing a resolution withdrawing from Russian assets, developing and agreeing to a set of investment beliefs, and undertaking education and action on fossil fuels.
- Expanding stakeholder outreach, offering new programming to help educate our members at different life stages.
- Revising our Eligibility Policy to exclude third-party staffing agencies and streamlining our Employer Audit Process.
- Making improvements in operations which resulted in a reduction in the backlog of pension finalizations and improvements to our refund process.
- Working across the enterprise to bring enhancements and improvements to myCTPF, the member self-service portal.
- Managing the one-time, irrevocable election process to bring Contract School teachers into the Fund.

It's a stellar list – especially considering that many of these projects and processes came on top of our “regular” work – answering the phones, communicating regularly with our members and employers, paying monthly pensions, and ensuring that the operations of the office continue seamlessly.

I know we have more to do in the years ahead, but we have planned well, and I have no doubt we will again rise to the occasion. Guided by our strategic plan, we will make priorities realities and move our Fund forward, building and learning together.

- Carlton W. Lenoir Sr.

STRATEGIC PLAN ADOPTED

During the past year, CTPF's leadership team engaged in a process to evaluate and build a thoughtful and relevant strategic plan that will guide the organization for the next three fiscal years. The plan was formally adopted by the Board of Trustees in June 2022.

"This Strategic Plan serves as a road map to guide us and the decisions that we will make," remarked Carlton W. Lenoir, Sr. "Our process afforded our Board of Trustees, senior leaders, and staff the opportunity to learn more about the organization, to share their perceptions of its strengths and weaknesses, and to discuss critical issues affecting, or likely to affect, the organization in the future. The process was designed to generate collaborative and strategic solutions to the issues facing our Fund."

The plan began with an assessment of the major risks, opportunities, and strengths of the Fund. Feedback was solicited from both internal and external stakeholders. The results were compiled, and the resulting plan contains five broad strategic priority areas with supporting goals. The focus areas include:

- Provide for and Enhance the Future Economic Well Being for our members
- Ensure Efficient and Effective management
- Protect Retirement Benefits
- Earn and Keep Stakeholder Respect
- Ensure Compliance with Applicable Laws and Standards

The Fund has a 127-year track record of success, which provides a solid foundation upon which to build the future. The Strategic Plan will help staff prioritize and optimize resources to create a collaborative and effective workplace and lasting economic well being for our members. The strategic plan has been published at ctpf.org/strategicplan.



Read CTPF's Strategic Plan at ctpf.org/strategicplan

CTPF FUNDING UPDATE

CTPF funds pensions through revenue returned on investments and four external sources, the Chicago Board of Education (CPS), the State of Illinois, property tax levy, and member contributions.

EXTERNAL SOURCES UPDATE

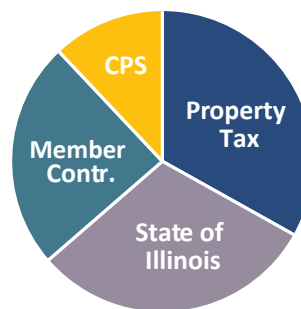
Legislation passed in 2016 and 2017 reestablished a dedicated tax levy for CTPF, established the State's obligation to fund the normal cost of Chicago's teacher pensions, and provided funding for retiree health insurance.

A breakout of the \$908.9 million in total contributions received to date for Fiscal Year 2022 includes:

- \$300.9* in property tax receipts
- \$277.5 million from the State of Illinois for normal costs, retiree health insurance, and other required contributions
- \$221.2 million from employee contributions
- \$109.3 million from the Chicago Board of Education (CPS)

*The remaining balance of \$257.0 million is expected to be paid from the property tax levy and received by December 31, 2022.

Continued on page 4.



CALENDAR

At press time, Board of Trustees meetings are being held online, due to the current emergency order. Visit ctpf.org to confirm meeting location and login instructions.

OCTOBER

- 11 Pension Rep Webinar | 4:30 p.m.
Register at ctpf.org/calendar
- 13 Pension Rep Webinar | 4:30 p.m.
Register at ctpf.org/calendar
- 20 Board of Trustees Meeting | 9:30 a.m.
- 25 Investment Committee Meeting | 9:30 a.m.
- 25 Finance & Audit Committee Meeting
Immediately following the Investment Committee Meeting, approximately 1:00 p.m.

NOVEMBER

- 8 Election Day | Office Closed
- 11 Veterans Day | Office Closed
- 17 Board of Trustees Meeting | 9:30 a.m.
- 24 Thanksgiving Holiday | Office Closed
- 25 Thanksgiving Holiday | Office Closed

DECEMBER

- 15 Board of Trustees Meeting | 9:30 a.m.
- 26 Christmas Day Observed | Office Closed

JANUARY

- 2 New Year's Day Observed | Office Closed

This calendar includes CTPF Board of Trustees meetings and standing committee meetings. Find a full list of meetings, event registration, and confirm meeting times and dates at ctpf.org/calendar.

OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund
425 S. Financial Place | Suite 1400
Chicago, IL 60605-1000

312.641.4464 | fax: 312.641.7185
ctpf.org | memberservices@ctpf.org
Hours: 8:00 a.m. – 5:00 p.m. | M-F

CTPF FUNDING UPDATE *Continued*

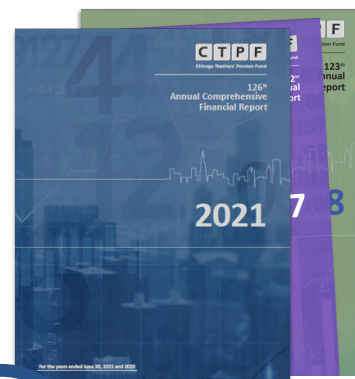
FUNDED RATIO

CTPF's funded status is calculated by the Fund's actuary once a year using data as of June 30. The next Actuarial report will be available later this fall.

CTPF PENSIONS

When members vest, they qualify for a lifetime pension, guaranteed by the Illinois Constitution. Pensions are determined by a formula, and do not change with market conditions.

*Information is preliminary as of August 1, 2022, and will be updated when the 2022 Audit and Actuarial evaluation are completed.



CTPF financial reports are located at ctpf.org under forms & publications.

LEAVING YOUR CPS/CHARTER/ CONTRACT SCHOOL

If you leave CTPF-covered employment, you must decide how to manage the pension assets you have accumulated. There are three primary options:

Retire. You may retire with a pension, if you meet age and vesting requirements.

Defer your pension. You may leave your pension assets at CTPF until you reach retirement age.

Accept a refund of contributions. Contributions may be rolled over into another qualified retirement plan or paid to you. When you accept a refund, you forfeit all future benefits (including the post-retirement health insurance subsidy). Illinois Statue requires a 60-day waiting period from the date of termination from your Employer. Once the waiting period is completed, allow up to 12 weeks for processing a completed application. Download and return Forms 804-840: Refund Application to initiate the process.

Find more information at ctpf.org/leaving-employment.

myCTPF REGISTER TODAY

New features have been added to the myCTPF Member Self-Service Portal. These updates offer an even more accessible and efficient myCTPF experience. Register today at myCTPF.org.



After registering:

- Active members can now request an estimate of CTPF retirement benefits (*if eligibility requirements met*) and then view, download, and print when available.
- Active members, retirees and survivors can view their correspondence addresses.

Registered members have already taken advantage of the portal's initial features and can:

- View address, contact, and benefit status information.
- Members with service credit on file can view and download their Member Statement.

STAFF UPDATE



FERNANDO VINZONS JOINS CTPF

Fernando Vinzons joined CTPF as the Chief Investment Officer on July 11, 2022. Vinzons has over 18 years of investment and financial market expertise, with four years as Director of Investments and 10 years as a senior member of the Cook County investment team. He was responsible for the growth of an under-funded pension portfolio (from \$5.2 to \$14.0 billion) and improved peer ranking (from 65th to 28th percentile). Vinzons received a BA in Economics from the University of Illinois and an MBA from the University of Chicago, Booth School of Business, with a focus on Analytical Finance and Accounting.

"Fernando comes to CTPF with the leadership experience, technical background, and vision needed to meet our policies, pacing, objectives, and goals. His collaborative style and proven ability to assess stakeholder needs, implement policy, and to serve as a mentor to staff will serve the Fund well. We are pleased to welcome Fernando to our team," said Carlton W. Lenoir, Sr., Executive Director.

NEW TO CTPF?

If you're a new educator or member of the Fund, welcome to CTPF. Your pension, administered by CTPF is one of your most important financial assets.

At the beginning of your career, it may be hard to picture yourself retired. Yet, planning for retirement should begin on the first day of employment.

DEFINED BENEFIT PLAN

CTPF members participate in a defined-benefit retirement plan, which offers a secure retirement income for life. Once earned, a pension does not lose value or change with investment or market conditions. CTPF members do not contribute to Social Security during employment. Instead, each pay period, pension contributions are withheld by the employer and sent to CTPF. At retirement, CTPF calculates a pension for retirees that meet the eligibility requirements. 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

Wondering what your retirement could look like? CTPF's online Monthly Pension Planner offers a rough estimate of your future monthly income. Visit ctpf.org/pensioncalculator and plug in your information.

RECIPROCAL PENSION

Have you worked for another Illinois public pension system? 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 which include:

- a portion of the deceased member's pension
- a lump-sum death benefit based on the member's service and status as an active or retired employee

STAY INFORMED

The website ctpf.org is the Fund's primary information site and includes publications, information sheets, a retirement calculator, calendar of upcoming events including educational seminars, and current news about your pension and future benefits.

Don't Forget
Check out ctpf.org

10 Next Steps

During your teaching career make sure that you:

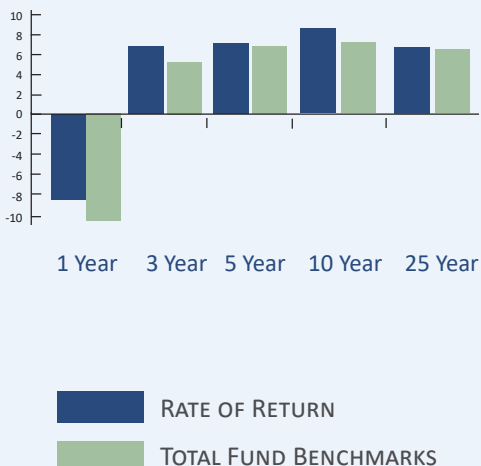
- 1 Complete a CTPF Designation of Beneficiary form and update it as important life events occur (*marriage, civil union, birth of a child, divorce, etc.*). The lump-sum death benefit is paid according to the Designation on file at CTPF at the time of a member's death. This form is available on ctpf.org under Forms & Publications.
- 2 Keep your employer up-to-date with any changes in your demographic information, such as change of address or marital status. CTPF receives changes from the employer while you are an active teacher.
- 3 Register for myCTPF the Fund's self-service portal where you can review your Annual Member Statement and request a pension estimate (*when you are eligible*).
- 4 Review pay stubs to ensure pension contributions are deducted. Call your employer's payroll department in case of an error.
- 5 Review the information sheet Maximizing Your Pension to better understand opportunities to purchase service credit and increase your pension benefit.
- 6 Consider the benefits of reciprocity. If you earned service credit in another Illinois public retirement system, review the Reciprocal Systems section on ctpf.org. or contact CTPF to discuss your options.
- 7 Share your voice. Vote in CTPF's Annual Trustee Elections, conducted in the fall.
- 8 Read *Pension News* and register for email updates at ctpf.org.
- 9 Review your Annual Member Statement, which is mailed each fall and provides a snapshot of your pension benefits at the end of the prior fiscal year.
- 10 Follow us on social media and register your email address so you receive important updates and stay informed.

Financial Snapshot

RETURN ON INVESTMENTS

As of June 30, 2022

	NET RATE OF RETURN	TOTAL FUND BENCHMARKS
1 Year	-8.82%	-11.05%
3 Year	6.93%	5.35%
5 Year	6.94%	6.15%
10 Year	8.14%	7.53%
25 Year	6.81%	6.38%



As of June 30, 2022, the approximate current value of CTPF's investments was \$11.5 billion.



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.



RETURN TO WORK LEGISLATION

Public Act 102-1090 applies to retirees working during the period July 1, 2022, to June 30, 2024. The bill amends the return-to-work statute for retired CTPF teachers and administrators. The legislation 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 until June 30, 2024. Additionally, the compensation limits previously in effect have been removed.

Public Act 102-1013 allows a retiree to return to work without limitation or cancellation of their pension under certain circumstances. Retirees returning to work under this provision must be employed in a subject shortage area for an employer that has demonstrated that they cannot otherwise fill the position(s). This legislation was signed by the Governor on May 27, 2022, and expires June 30, 2024.

ADMINISTRATIVE RULES UPDATES

The CTPF Administrative Rules - Return to Work were amended and no longer apply to individuals working for third party vendors or as *bona fide* independent contractors. Other changes were made to make the appeals process more user friendly and to allow for additional repayment options due to financial hardship. See ctpf.org/returntowork for additional information.

PRIVATE SCHOOL SERVICE CREDIT PURCHASE AVAILABLE

Public Act 102-0822 allows a member to establish credit for up to two years of service as a teacher or administrator employed by a private school recognized by the Illinois State Board of Education.

The member must meet eligibility requirements to complete the credit purchase, including:

1. Having served as a contributing teacher for a CTPF employer for at least 10 years.
2. Having been certified under the law certifying teachers when the service was performed.
3. Applying in writing for the credit no later than May 13, 2024.
4. Paying the employee and employer required contributions plus interest, for the period being requested. The first-year annual salary rate during covered employment will be used to calculate the amount of the contributions to be paid by the member.
5. Demonstrating that service credit for this period has not been received under any other provision of the Pension Code.

Members who wish to apply for private teaching service must complete CTPF Form 685 available at ctpf.org/forms.

FORM 685

2022 TRUSTEE ELECTIONS



This fall CTPF will hold elections for two Teacher Trustees and one Principal/Administrator Trustee who will serve three-year terms from November 2022 – November 2025.

Candidates for Teacher Trustee must be a CTPF Member, other than a Principal/Administrator, as defined by the Illinois Pension Code (40 ILCS 5/17-106); have been assigned on a regular certificate for at least 10 years in the Chicago Public Schools or Charter schools within District 299 (this includes anyone who is licensed and has worked in the Chicago Public Schools or Charter Schools for at least 10 years on a regular certificate, including as a substitute); and be nominated by a petition signed by at least 200 contributors who are not Principal/Administrators, as provided in 40 ILCS 5/17- 139(1).

Candidates for Principal/Administrator Trustee must be a Principal/Administrator as defined in 40 ILCS 5/17-106.1; and be nominated by a petition signed by at least 25 contributors who are Principals/Administrators, as provided in 40 ILCS 5/17-139.

NOMINATIONS

Nomination packets were available April 1 – September 15, 2022, and completed packets were due to CTPF September 30, 2022 at 5:00 p.m.

CANDIDATES

Certified candidates were posted on the CTPF website, and candidate information and bios can be found at ctpf.org/election-central.

ELIGIBILITY CRITERIA FOR VOTERS

Teachers who are not administrators shall be eligible to vote for Teacher Trustees in accordance with Sections 17-138 and 139. Every Member must have obtained that voter eligibility status on or before October 1, 2022.

Principals/Administrators shall be eligible to vote for Principals/Administrators in accordance with Sections 17-138 and 139. Every Member who is a Principal/Administrator must have obtained that voter eligibility status on or before October 1, 2022.

VOTING

All voting will be conducted online, and the online website will open the day materials are mailed, the week of October 17. Eligible voters will receive a unique voter identification number by mail and, if available, by email. Email reminders will be sent when voting opens, and throughout the voting period. Voting closes on November 4, 2022, at 5:00 p.m. (CT).

VOTING ASSISTANCE

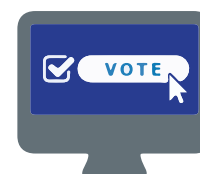
YesElections is administering this election on behalf of CTPF. Voting opens on October 17, 2022, at 7:00 a.m. (CT) and ends on November 4th at 5:00 p.m. (CT). YesElections will send reminder emails with voting credentials when voting opens, and during the election period. Members who need assistance with the voting process, should contact YesElections at CTPFsupport@yeselections.com or call (855) 925-2070. Support will be available to all participating voters throughout the duration of the election period.

ELECTION RESULTS

Certified election results will be posted at ctpf.org no more than five days after they are certified. Trustees will be sworn in during the CTPF Board of Trustees meeting on November 17, 2022.

SCHEDULE OF ELECTION EVENTS

April 1, 2022	Nomination packets available.
September 15, 2022	5:00 p.m. (CT), last day to request nomination packets.
September 16, 2022	First day for Teacher Trustee candidates to submit completed nomination packets.
September 30, 2022	Completed nomination packets due to CTPF at 5:00 p.m. (CT).
October 17, 2022	Election materials mailed and online voting available.
November 4, 2022	Voting closes for all elections at 5:00 p.m. (CT).
November 17, 2022	Trustees sworn in during CTPF Board of Trustees meeting.



FOR CANDIDATE BIOS, ELECTION MATERIAL & THE CTPF ELECTION POLICY

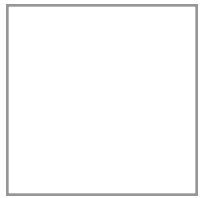


VISIT:
ctpf.org/election-central



Chicago Teachers' Pension Fund

425 S. Financial Place | Suite 1400
Chicago, Illinois 60605-1000



FOLLOW US! | **SIGN UP!** 
   **EMAIL UPDATES:**
www.ctpf.org

DOES YOUR SCHOOL SHINE?

What is your school doing to be creative, innovative, and to make a difference for students and faculty during these difficult times.



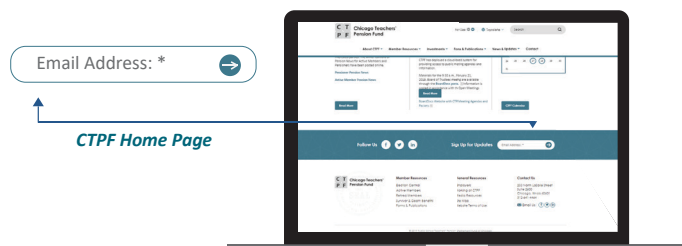
Email your story about how your school stands out to communications@ctpf.org and we may contact you for a School Spotlight feature.

STAY IN TOUCH

CTPF emails a digital newsletter twice a month to all members, along with periodic time-sensitive announcements. Please do not unsubscribe from CTPF emails. If you have unsubscribed and need to re-subscribe, please visit ctpf.org/sign-updates.



CTPF may occasionally send out a recorded message with timely information. Calls will come from CTPF's general office number: 312.604.1400 or a Member Services number, 312.641.4464. Please add these numbers to your contacts to avoid having them marked as spam.



BOARD OF TRUSTEES

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Mary Sharon Reilly
Vice President

Miguel del Valle
Victor Ochoa
Tina Padilla

Maria J. Rodriguez
Jerry Travlos
Dwayne Truss

Quentin S. Washington
Philip Weiss

Carlton W. Lenoir, Sr.
Executive Director

Jacquelyn Price Ward
Financial Secretary

Lois Nelson
Recording Secretary

As of 9.1.22