

PENSION NEWS

February 2004 Issue

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New Phone Service

In October 2003 the Trustees of the CTPF approved the purchase of a new phone system. The intention of this investment is to provide better service to our members by eliminating busy signals and getting callers to the appropriate person quickly.

The new service is anticipated to be in place by March 1. Your call will be answered by an automated attendant which will prompt you to press "5". Your call will be forwarded to the call queue to be answered as quickly as possible. While you are waiting for a phone counselor, you will hear several other options that may lessen your wait time.

In conjunction with the implementation of the new call center we are increasing the number of phone counselors, so that your wait in the call queue will not exceed two minutes. That may take a little time to accomplish, so please be patient if you have to wait a bit longer.

In addition, we offer the following suggestions to reduce your wait time:

1. Avoid Mondays, especially following a mailing to the entire membership or during peak member activity times*.
2. Call before 11:00 a.m. or after 2:00 p.m., as 11:00 a.m. to 2:00 p.m. is the peak period for calls received.
3. Call on Thursday or Friday if your question can wait until then.
4. If your questions are quite lengthy, you may be better served by making an appointment with one of our counselors.
5. Schedule an Appointment.

Appointments are available from 8:00 a.m. until 3:30 p.m. Please note that members who come without an appointment will be asked to schedule an appointment.

* During peak periods following such activities as the distribution of annual statements, 1099R tax forms, Spring to Summer retirements, Fall Open Enrollment, and the processing of Rebate checks, our call volumes are particularly heavy and your wait time can be even longer.

We thank you for your continued patience as we work to serve you better!

Trustees Study Retiree Health Insurance Options

In February the Trustees continued to discuss options to reduce the previously announced increases in retiree health insurance premiums. As of this printing, a retiree's share of costs will increase to approximately 50%, up from 15%, effective April 1, 2004. More discussion is expected at the February 17 Board Meeting.

Board of Trustees Activity

Welcome to Our New Trustees

Connee R. Fitch-Blanks and Linda C. Porter-Milton were elected by the members to serve as teacher trustees at the election held on October 24, 2003 and the run-off election conducted on January 8, 2004. Carole Nolan, Walter Pilditch and James F. Ward were elected as trustees representing the annuitants at the election conducted on December 5, 2003. In addition, Gene R. Saffold of the CPS Board of Trustees was reappointed to a two-year term on the Pension Board of Trustees as an employer representative. Congratulations and welcome to our newly seated and re-elected Board members!

Thank You to our Outgoing Trustees

We want to express our appreciation to our departing trustees: Jack Silver, teacher-trustee, and Zygmunt Sokolnicki, annuitant trustee, for their years of service to our members.

Pension Board Officers Elected

At the Trustees meeting on January 15, 2004 the trustees selected the following officers: Patricia A. Knazze - President, Walter Pilditch - Vice President, Earnestine C. Murphy - Recording Secretary, and Rose Mary Finnegan - Financial Secretary. Their terms in office are one year. Congratulations to our new officers!

CTPF Remains Strong and Earns 17.1% FYE 9/30/03

November's report from Mercer Investment Consulting reflected a 17.1% one year annualized return as of September 30, 2003. Key contributors to this were in the categories of domestic and international equities. Total net assets of the Fund currently exceed \$9.5 billion, and the trustees and investment professionals of CTPF are continuing their long-term perspective on the asset allocation.

CPS Pension Enhancement Program (PEP)

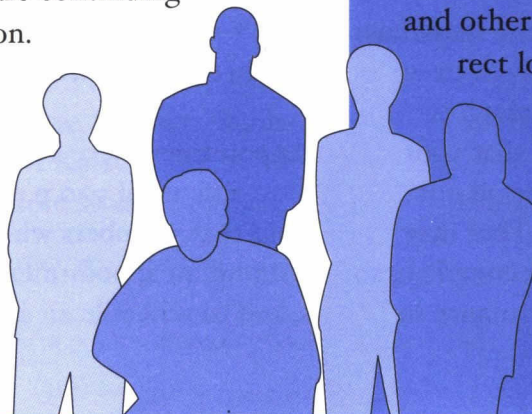
The PEP presents an opportunity for eligible employees to increase their annual pension. It applies to contributors to CTPF who are eligible for retirement and have available sick day balances.

Employees who participate in PEP will be permitted to sell unused accumulated sick days that increase the current salary by up to 20% over the previous year's salary or select payment options to spread 20% over a span of up to 4 years, thus enhancing their pension by up to 5%.

Members who qualify and are eligible for retirement should visit our website and contact CPS for further information.

Mailing Address

It is important to 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 mail or fax us your change of address or call us to request a Change of Address form.



Spring Break Retirement Seminars

Wednesday, April 14 and Thursday April 15 are the dates of our annual Spring Retirement seminar.

This seminar is offered to teachers who ARE retiring at the end of this school year. This year the seminar sessions will be held at Whitney Young Magnet High School, 211 S. Laflin Street.

Morning and afternoon sessions are offered. Seminars are limited to 125 attendees (including guests) and will be held at 8:30 a.m. and 12:30 p.m. Further information will be distributed to the schools in late-February.

Membership Statistics

- 75.1% of contributors to the CTPF are female
- 68.3% of retirees are female
- 23 retirees are over 100 years old
- 86.7% of monthly retirement benefits are paid as direct deposits into member accounts
- 82.1% of CTPF retirees have an Illinois address
- \$615 million was paid out in retirement benefits in FY 6/30/03

Fiscal Year 2004 Legislative Proposals

1. Paid automatic annual increase of 3% beginning one year following retirement.
2. Provide for ad-hoc increase for pensioners.
3. Provide for early retirement option as an option at the teachers' discretion, rather than at the employer's discretion.
4. Provide dependent beneficiary (parent or disabled child) eligibility for a survivor pension.
5. Provide for all income earned to be pensionable.
6. Increase the maximum pension percentage to 80%.
7. Provide refunds of excess contributions over pension payments to survivors of deceased pensioners.
8. Provide a minimum pension of \$18,000 per year plus the automatic annual increase to pensioners who retired with 20 or more years of service.
9. Increase the maximum number of sick days used to compute additional pension credit to 315 days.
10. Provide for a service retirement pension for members with 10 or more years and a minimum age of 60 years.
11. Provide a \$65 million per year health insurance premium subsidy to pensioners.
12. Provide minimum survivor benefit payable upon death of teacher or pensioner which occurred prior to 12/31/86.
13. Allow 2.2 benefit for all teachers without the cost to upgrade; allow refunds of 2.2 upgrade costs to all teachers.
14. Provide pension fund survivor benefits to domestic partners.
15. Provide pension fund survivor benefits to heterosexual domestic partners.
16. 2.4 pension formula.
17. Allow to purchase 2 years of employment in a private school.
18. Restore the local property tax collection to the pension fund.
19. 5+5 early retirement incentive



Come visit us on the web at www.ctpf.org

Public School Teachers' Pension & Retirement Fund of Chicago

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Chicago, Illinois 60601



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