

*Public School Teachers' Pension and Retirement Fund
of Chicago*

PENSION NEWS

© EQUUS 278

December 1999 Issue

Pension Proposals Not Yet Passed. The fall veto session recessed December 2 without final agreement on a state pension bill, although an additional day to be scheduled in January may be sufficient for pension bills to receive approval. Following is a list of our proposals to the Illinois Legislature, and many already have strong support of the leadership. We are hopeful that many will pass in January or in the Spring 2000 session. Special thanks are extended to Senators *Robert Molaro, John Cullerton, Robert Madigan and Patrick O'Malley* as well as Representatives *Harold Murphy, Kurt Granberg and Angelo Saviano* for their support of our pension legislation, to our Pension Board of Trustees for their leadership and support, and to *Henry Anselmo and Eugene Barnes*, our legislative liaisons, for their guidance and efforts. **Please call, write and e-mail your state senators, representatives and Governor seeking their continued support of our legislation! A toll-free number for Illinois legislative information is 1-800-252-6300. Please call if you have questions.**

1. Provide that all earnings under a member's employment agreement be pensionable (SB136, Sen. Robert Molaro).
2. Provide that the automatic annual increase be extended to annuitants upon retirement rather than waiting until the age of 61 (HB348, Rep. Harold Murphy).
3. Provide that optional service may be purchased for any official leave granted by the employer and any absence due to pregnancy of a maximum of three years (SB88, Sen. John Cullerton).
4. Provide that the State of Illinois have greater responsibility in funding the Chicago Teachers' pension fund (SB137, Sen. Robert Molaro).
5. Provide for an ad hoc increase for pensioners such that certain monthly pensions would increase by \$.25 times the number of full years of service times the number of full years on pension (HB349, Rep. Angelo Saviano).
6. Provide for an increase in the rate of automatic annual increase to 4% from 3% (SB90, Sen. John Cullerton).
7. Provide that the number of years used in the calculation of average salary for pension purposes be changed from 4 years to 3 years (SB91, Sen. John Cullerton).
8. Provide for a reduction in the number of years of service required for early retirement without discount from 34 years to 30 years (HB344, Rep. Harold Murphy).
9. Provide for a "5+5" early retirement incentive program for the upcoming year (HB345, Rep. Harold Murphy).
10. Provide for additional benefits to those members who retired under the "5+5" early retirement incentive program enacted in 1993 under Public Act 88-85 (SB114, Sen. William O'Malley).

11. Provide for changes in survivor's pensions that began prior to December 31, 1986 to the 50% minimum (HB351, Rep. Angelo Saviano).
12. Provide for an increase of \$15,000,000 for medical insurance rebates to pensioners for an annual limit of \$40,000,000 (HB346, Rep. Harold Murphy).
13. Provide that pensions shall not be suspended if a member is a full-time employee working outside the Chicago Public School system (HB352, Rep. Angelo Saviano).
14. Provide that upon death of a pensioner his estate be paid a refund of certain employee contributions that exceed pension payments received by the pensioner (HB350, Rep. Angelo Saviano).
15. Provide a minimum pension of \$16,000 annually for teachers retiring with a minimum of 20 years of creditable service in the pension fund. Also provides for 3% automatic annual increase each year (HB347, Rep. Harold Murphy).
16. Provide that unused sick days at termination of service be increased to a maximum of 315 days for use in computing service time for pension purposes (SB135, Sen. Robert Molaro).
17. Provide for elimination of the 2.2 upgrade cost to those teachers with 30 or more years of creditable service (SB89, Sen. John Cullerton).

Health Insurance Rebate Checks will be mailed the week of December 20th to arrive before the Christmas holiday. This year's checks represent rebates for a 10-month period from September 1998 through June 30, 1999, because of a change in the pension fund's fiscal year to June 30. As a result, they will be somewhat smaller in amount than last year's checks.

January Pension Checks/Direct Deposits dated January 1, 2000 will be mailed on December 27th. Direct deposits are to be credited to pensioner's accounts in accordance with *their own bank's* procedures, *we are told*, but no later than January 3, 2000, the 1st business day of the month.

The Fund Office is Open on New Year's Eve. Special arrangements have been made to open the pension office on New Year's Eve, a regular holiday, from 8:30 a.m. - 3:00 p.m. The pension fund is *Y2K ready* and anxiously awaiting the new year. Happy holidays to all from the Trustees and staff of the fund!

Teacher-member Contribution Statements will be delivered to all schools for distribution to teachers in January 2000, *after* the holiday vacation.

Federal Income Taxes. Pensioners who do not have sufficient taxes withheld from their pensions may be required to make estimated tax payments throughout the year or may incur penalties for under withholding. Call our office if you would like to adjust your income tax withholding amounts.

Board of Trustees

Shirley J. Anderson Norman R. Bobins Patricia A. Knazze Carole Nolan John F. O'Brill Edward A. O'Farrell
Walter E. Pilditch Mary Sharon Reilly Maria J. Rodriguez Gene R. Saffold Jack Silver James F. Ward
Executive Director: Michael J. Nehf

55 W. Wacker Drive, Chicago, Illinois 60601 • Telephone: (312) 641-4464 • Fax: (312) 641-7185