

PROCEEDINGS  
OF THE  
**Board of Trustees**  
OF THE  
**Public School Teachers' Pension and  
Retirement Fund of Chicago**

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**Pension Law and Rules Committee – Minutes**

**Monday, October 30, 2023**

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A Pension Laws and Administrative Rules Committee meeting of the Board of Trustees of the Public School Teachers' Pension and Retirement Fund of Chicago was held on Monday, October 30, 2023.

The Committee Chair, Ms. Jacquelyn Price Ward, called the meeting to order at 9:41 a.m.

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**ROLL CALL**

**Committee Members present:** Mr. Jeffery Blackwell, Ms. Jacquelyn Price Ward,  
Mr. Quentin S. Washington – 3

**Committee Members absent:** Ms. Lois Nelson, Mr. Victor Ochoa

**Other Trustees present:** Ms. Maria J. Rodriguez

Also in attendance were Mr. Carlton W. Lenoir, Sr., (*Executive Director*), Mr. Daniel J. Hurtado (*Chief Legal Officer*), Mr. Joseph Miller of Ottosen DiNolfo Hasenbalg & Castaldo, Ltd. (*Board Counsel*), and various observers and staff members.

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## **PRESENTATION REGARDING DEATH BENEFIT CALCULATION AND IMPACT OF INCREASING LUMP-SUM BENEFIT**

Ms. Jenn Pentangelo, Director of Benefits, reviewed a presentation reviewing Death In-Service and Death on Pension Benefit calculations. Ms. Pentangelo identified the steps in the calculation process as follows:

### **Death Benefit – Death in Service Article (17-123)**

For a teacher who dies on or after the effective date of this amendatory Act of 1991, this benefit shall be equal to the last month's base rate of salary subject to the limitations and conditions set forth in this Article, for each year of validated service, not to exceed six (6) times such salary, or \$10,000, whichever is less.

Calculation Steps:

1. Determine monthly salary
2. Multiply monthly salary by service credit (max 6 years)
3. Max is \$10,000

### **Death Benefit – Death on Pension (Article 17-124)**

On death of a retired teacher whose death occurs on or after the effective date of this amendatory Act of 1991, there shall be payable a lump sum death benefit equal to 6 times the teacher's salary rate for his last month of service or \$10,000, whichever is less, upon death during the first year on pension minus 1/5 of the death benefit, as defined herein, for each year or fraction thereof on pension after the first full year, to a minimum of \$5,000.

Calculation Steps:

1. Determine monthly salary
2. Multiply monthly salary by 6
3. Max is \$10,000
4. Reduce by 1/5 each year after a full year of pension

Discussion ensued. Questions raised by the Board were addressed.

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## **2023-2024 LEGISLATIVE AGENDA PRESENTATION**

Mr. James Clayborne, Jr., Clayborne & Wagner LLP, reviewed items from the Spring Session and recent Veto Session. He stated that he is working to gain support for the Return to Work Penalty Reduction Bill and endorsement of HB 4098, a pension reform omnibus bill that adjusts various components of the Tier 2 benefit structure of the five State-Funded Retirement Systems and the Chicago Teachers' Pension Fund. The bill also provides for a new funding schedule for the State Systems.

Mr. Clayborne reviewed a presentation listing 2024 proposed legislative priorities: 1) HB 4098 overview; 2) OMA amendments; 3) Return to Work penalty reform; 4) Clarify language of Tier 2 Benefit Formula for Automatic Annual Increases (AAI) and Survivor Pensions; 5) Amend School Code to allow a CTPF intercept of state funds for uncollected pension obligations; and 6) Amend Charter School Code to clarify remittance of delinquent contributions.

Questions raised by the Board were addressed throughout the presentation.

**Motion to Approve Recommendation that the Board of Trustees Adopt Each Item on the 2023-2024 Legislative Agenda**

Carlton W. Lenoir, Sr., Executive Director, presented a Board Action Request and stated each year the Board prepares a Legislative Agenda which provides direction to the Fund's staff and lobbyists. The agenda prioritizes the changes needed in state statutes to clarify, change, or ensure seamless administration of benefits.

Mr. Lenoir stated that the six proposed motions for the Spring legislative agenda will be voted on separately and those that pass out of committee would be brought to the full Board for consideration.

**Motion to Approve Recommendation to support the Provisions of HB 4098, Approved**

Mr. Blackwell made a motion, seconded by Mr. Washington, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to continue to support the provisions of HB 4098, or measures similar to its provisions, if action on this legislation is not taken up in the Fall Veto Session.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**Motion to Approve Recommendation to Lead Discussion and Pursue Amendments to the Open Meetings Act, Approved**

Mr. Washington made a motion, seconded by Mr. Blackwell, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to continue to lead the discussion and pursue amendments to the Open Meetings Act to provide for remote meetings at the discretion of the organization or to support future legislation brought forward that aligns with the Fund's priorities.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**Motion to Approve Recommendation to Continue to Pursue Return to Work Penalty Reform, Approved**

Mr. Washington made a motion, seconded by Mr. Blackwell, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to continue to pursue return to work penalty reform if the proposal does not advance in the Fall Veto Session.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**Motion to Approve Recommendation to Pursue New Legislation Clarifying Language in Tier 2 Benefits Formula, Approved**

Mr. Blackwell made a motion, seconded by Mr. Washington, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to pursue new legislation clarifying the language in the Tier 2 Benefits Formula for Automatic Annual Increases and Survivor Pensions.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**Motion to Approve Recommendation to Pursue New Legislation Amending School Code Regarding Uncollected Pension Obligations, Approved**

Mr. Washington made a motion, seconded by Mr. Blackwell, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to pursue new legislation amending the School Code to provide that CPS is responsible for delinquent pension contributions on the part of Charter Schools.

The motion passed by the following roll call vote

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**Motion to Approve Recommendation to Pursue New Legislation Amending School Code Regarding Delinquent Pension Contributions, Approved**

Mr. Washington made a motion, seconded by Mr. Blackwell, to approve recommendation that the full Board consider a motion to direct staff and lobbyists to pursue new legislation amending the School Code to provide that CPS is responsible for delinquent pension contributions on the part of Charter Schools.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

**ADJOURNMENT****Motion to Adjourn the Meeting, Approved**

Mr. Washington made a motion, seconded by Mr. Blackwell, to adjourn the meeting.

The motion passed by the following roll call vote:

AYES: Mr. Blackwell, Ms. Price Ward, Mr. Washington – 3

NAYS: None

ABSENT: Ms. Nelson, Mr. Ochoa – 2

The meeting adjourned at 11:41 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jacquelyn Price Ward". The signature is fluid and cursive, with a large initial "J" and "P".

Jacquelyn Price Ward  
Committee Chairperson

*Minutes approved by the Pension Laws and Administrative Rules Committee at a meeting held on June 7, 2024. Minutes prepared by Danielle Y. Smith, Executive Assistant, CTPF.*