

PENSION NEWS

WINTER 2013/2014 FOR RETIREES

Issue Highlights

Retiree Health Insurance Update

An update on 2014 Medicare rates and health insurance plans. **3**

Get Organized with CTPF

January is national "Get Organized Month." Find some ideas to help you put your retirement "house" in order. **4**



Returning to Work

If your 2014 plans include returning to work, make sure you understand the rules and file the necessary forms. **5**



Education & Advocacy Update

Webinars and training sessions helped members learn more about the fund. Find a summary of programs and a calendar of upcoming events. **6**



[WWW.CTPF.ORG](http://www.ctpf.org)

CTPF TRUSTEES INSTALLED



November 21, 2013, the Chicago Teachers' Pension Fund Board of Trustees elected officers and installed new and re-elected trustees. 2013-2014 Officers, front row, pictured from left to right: Raymond Wohl, recording secretary; Jay C. Rehak, president; Lois W. Ashford, vice president; and Mary Sharon Reilly, financial secretary. Back row, from left to right: Carlos M. Azcoitia, Jerry Travlos, Robert F. Bures, Tina Padilla, Bernie Eshoo, Jeffery Blackwell, and Walter E. Pilditch. Not pictured, Andrea L. Zopp.

The Chicago Teachers' Pension Fund is governed by a 12-member Board of Trustees. The board includes 6 elected teachers, 3 elected pensioners, 1 elected administrator, and 2 representatives appointed by the Board of Education.

November 8, 2013, pensioners elected Walter E. Pilditch, Mary Sharon Reilly, and Robert F. Bures. Pensioner Trustees will serve two-year terms from November 2013-2015.

Jeffrey Blackwell and Bernie Eshoo were re-elected Teacher Trustees, and Jerry Travlos was re-elected Administrator Trustee. Blackwell, Eshoo, and Travlos will serve three-year terms from November 2013-2016.

Carlos M. Azcoitia was re-appointed by the Board of Education, and will serve a two-year term from November 2013-2015. All of the trustees were installed during the November 21, 2013 board meeting. See page 3 for more information.

EXECUTIVE DIRECTOR'S LETTER



Kevin B. Huber, executive director

December 3, 2013, the Illinois House and Senate passed SB1 – legislation which includes far reaching, cost-cutting measures designed to help stabilize four of the five state pension systems (CTPF is not included in this legislation). The Governor signed SB1 and it is now PA 98-0599. The law will now face a legal challenge. Our education and advocacy page at www.ctpf.org has more information about this legislation.

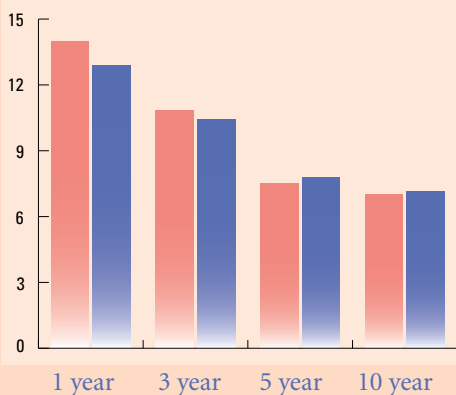
The weeks leading up to the passage of SB1 were filled with sound bites and interviews, attacks, criticism, praise for and statements against the legislation. Community leaders, legislators, union leaders, and rank-and-file teachers shared their views online, on the air, and in print.

You did not, however, hear from the organizations that might have the most to say about this legislation – the pension

CTPF FINANCIAL
SNAPSHOT

CTPF RETURN ON INVESTMENTS
September 30, 2013

	RATE OF RETURN	TOTAL FUND BENCHMARKS
1 year	13.98	12.90
3 year	10.84	10.41
5 year	7.50	7.77
10 year	6.99	7.15



■ RATE OF RETURN
■ TOTAL FUND BENCHMARKS

As of September 30, 2013, the approximate current value of CTPF's investments was \$10.0 billion.



funds in the State of Illinois. I want you to understand why.

A pension fund is governed by trustees whose sworn duty is to implement the law of the State of Illinois. As a fund, we cannot object to a law that will bring additional revenue and stabilize our fund – even if the path is painful to members.

This doesn't mean that we haven't been saying anything. For the past three years the General Assembly has been working on "reform," and during this time CTPF trustees launched a campaign to educate legislators, members, and taxpayers.

We have worked to make sure lawmakers understand that there isn't a "one-size-fits-all" solution to pension issues. We stressed the fact that our financial situation is due to a lack of revenue – not overly generous benefits – and have asked that revenue reform come before benefit reform. We highlighted the positive economic benefits of pensions. We have brought representatives and senators into our office in day-long Pension Information and Education (PIE) programs, testified at subject matter hearings, and employed professional lobbyists to share our messages.

We created the Pension Fund Ambassador Program in 2012, to help educate our members and their legislators. We developed new publications, webinars, and training opportunities so our members can

effectively share their stories with legislators. We launched an online legislative action center, created an advocacy web page, and increased our outreach via e-mail and social media.

We've reached out to taxpayers by proactively engaging local and national media. CTPF President Rehak and I have conducted dozens of interviews with reporters, appeared on television and radio, and have been quoted in local and national publications. We've shared the message that we are a well-managed fund that lacks guaranteed funding.

We have not been silent. We advocated and educated, and spoke clearly about our fund and the challenges we face.

Now it's your turn.

Now is the time to share *your* thoughts and ideas with your local legislators. Visit your legislators in person. Make sure they know your name and understand your story. Use the resources we have available.

We don't know what kind of "reform" our fund will face, but the actions you take now can help reinforce our message that we need funding reform before benefit reform. Our strong investment returns will not keep our fund solvent – we need guaranteed revenue.

The call or visit you make today can make an impact on the pension you have tomorrow. If not you, who? If not now, when?

October 17, 2013, CTPF Executive Director Kevin B. Huber gave the Keynote address during the Retired Teachers Association of Chicago Fall luncheon. More than 600 retirees attended the 87th annual event, held at the Hilton Chicago.



2014 RETIREE HEALTH INSURANCE UPDATE

The 2014 Open Enrollment period for CTPF health insurance plans closed on October 31, 2013. All plan changes and rates become effective on January 1, 2014.

2014 Medicare Rates

The Centers for Medicare and Medicaid Services (CMS) released the 2014 Medicare premium rates.

Part A: (Hospital Insurance) Premium

Members who have 40 quarters or more of Medicare credit receive Medicare Part A at no charge at age 65. The monthly Part A premium for members with 30-39 quarters of Medicare will be \$234. Individuals with less than 30 quarters of Medicare-covered employment pay \$426 monthly. CTPF subsidizes 60% of the Medicare Part A premium cost for 2014:

- Medicare Part A with 40+ quarters = 0
- Medicare Part A with 30-39 quarters = \$93.60 after CTPF subsidy
- Medicare Part A with 0-29 quarters = \$170.40 after CTPF subsidy

Part B: (Medical Insurance) Premium

The standard Medicare Part B premium will be \$104.90 for 2014. CTPF subsidizes 60% of the premium cost for 2014:

- Standard Medicare Part B cost = \$41.96 after CTPF subsidy

Medicare Supplemental Plans

CTPF offers a 60% premium subsidy for plans which supplement Medicare. Members enrolled in CTPF Medicare plans receive the subsidy in their monthly pension benefit. If you have other coverage, you may apply for a rebate annually.

Non-Medicare Plans

CTPF subsidizes 60% of the cost of health insurance plans for members who are not eligible for Medicare. Members enrolled in CTPF plans receive the subsidy in their monthly pension benefit. If you have other coverage, you may apply for a rebate annually.

Questions

You can find more information about premium subsidies and the cost of insurance in the *2014 Health Insurance Handbook and Open Enrollment Guide* available at www.ctpf.org or call a pension resource specialist at 312.641.4464.



2013-2014 CTPF BOARD OF TRUSTEES

During the November 21, 2013, CTPF Board of Trustees meeting, the trustees elected officers and organized the board.

2013-2014 Executive Board

President

Jay C. Rehak

Vice President

Lois W. Ashford

Financial Secretary

Mary Sharon Reilly

Recording Secretary

Raymond Wohl

2013-2014 Board of Trustees

Representing the Contributors

Lois W. Ashford

Jeffery Blackwell

Bernie Eshoo

Tina Padilla

Jay C. Rehak

Raymond Wohl

Representing the Principals/ Administrators

Jerry Travlos

Representing the Pensioners

Robert F. Bures

Walter E. Pilditch

Mary Sharon Reilly

Representing the Board of Education

Carlos M. Azcoitia

Andrea L. Zopp

2013 HEALTH INSURANCE SEMINARS



Pictured left, members gathered at the 2013 Health Insurance Open Enrollment Seminar on October 10, at the Hilton, Chicago Oak Lawn. CTPF held four open enrollment seminars in October which attracted more than 800 members. The seminars offered an overview of 2014 health insurance plans and changes.

GET ORGANIZED

January is national Get Organized Month... so take advantage of the month by taking these three important steps you can take to make sure that you are prepared for the future.



1. REVIEW YOUR DESIGNATION OF BENEFICIARY

Thinking about the unthinkable may be one of the best ways you can ensure your family's future financial security.

DEATH BENEFITS

Upon your death, your survivors may be eligible for a lump-sum death benefit. The amount of the death benefit is determined at the time of your death. You can designate who will receive any available death benefits by filing CTPF Form 105, Designation of Beneficiary.

"Often times our members neglect to file a Designation with CTPF," said Sheron Banks-Fallis, CTPF Member Services Manager. "Many of our members do not realize that their survivors may receive a death benefit from the fund. Filing a designation makes the payment of these benefits faster, and ensures that a member's wishes are carried out."

You may designate a person, trust, church, charity, or organization as your beneficiary. If you name more than one individual or organization,

all share equally in the benefit, unless you designate specific percentages.

If you have experienced a life event: marriage, civil union, birth, divorce, death, etc., or if you do not remember who you designated, CTPF recommends filing a new designation. Download CTPF Form 105 at www.ctpf.org or call Member Services at 312.641.4464.

COMPLETING YOUR DESIGNATION

Your designation must be notarized before you return it to CTPF. Please make a copy for your records and send CTPF the original signed and notarized form.

SIGNING A DESIGNATION

The only person who may sign and/or change a Designation of Beneficiary form is the CTPF member. A legal representative, including an appointed agent, guardian, conservator, trustee, or designated payee, cannot change or sign this form.

2. ADDRESS UPDATES

TEMPORARY ADDRESS CHANGES

If you are moving in 2014 or even heading south for winter, don't forget to file a change of address form with CTPF. You can file a change of address notice well in advance of your actual move date.

CTPF does not forward pension checks. If you do not have a current address on file, your payment could be delayed.

TAX DOCUMENTS

CTPF mails tax documents including annual 1099R forms to your permanent address, even if you have a temporary address on file in our system.

GET "WRITE" TO IT...

Change of address notifications must be made in writing. You can find a change of address form, CTPF Form 107, on our retiree page at www.ctpf.org (see below for information on finding forms). You can also send a letter with your address information. Make sure you include the last four digits of your social security number for verification.

NAVIGATING THE WEB

Many of the articles in this newsletter refer to links online. Here's how you can find the forms referenced above:

1. Finding forms

Go to www.ctpf.org and click the Retired Members Tab. You will be directed to a new screen.



2. You can find commonly requested forms on this page. Additional forms can be found by clicking on the Forms tab.

WITH CTPF

...the advantage of the time inside to get organized with CTPF. Here your retirement "house" is in order. . .

3. GET CONNECTED

December 3, 2013, the Illinois legislature voted on a 300+ page pension reform bill, the contents of which were made public on December 2. Changes that may impact your pension can happen quickly, and e-mail is the fastest way for us to reach you.



REGISTER YOUR E-MAIL

Please take a minute and register your e-mail address with CTPF. If you do not have an e-mail address, you can obtain one free-of-charge through many different providers including Google, Yahoo, or Hotmail.

Visit www.ctpf.org, click on the *Connect To CTPF Online* registration link, and fill in the form. CTPF does not sell or share e-mail addresses.

SOCIAL MEDIA

If you use Facebook or Twitter, be sure to like us and follow us so you can receive regular updates. You can like us directly from Facebook or connect from the *Connect To CTPF Online* link on the home page at www.ctpf.org.



WE WANT TO HEAR FROM YOU

PLANNING TO VISIT? GIVE US A CALL...

Appointments with Member Services counselors are available Monday through Friday, 8:00 a.m. - 3:30 p.m. CTPF highly recommends scheduling appointments in advance. Members without appointments may be seen on a first-come-first-served

basis, between 9:00 a.m. – 3:00 p.m. Walk-in wait times vary and may be long during peak periods.

CTPF is located at 203 North LaSalle Street, suite 2600, Chicago. Many CTA lines stop at Clark and Lake. Parking is available in the building. A discounted parking voucher may be purchased for \$18, check only, no cash.

Call Member Services at 312.641.4464 to schedule appointments.

SNOWBIRD ALERT

If you head south for winter, remember that CTPF does not forward benefit checks. File a temporary address change with CTPF before you leave and consider direct deposit (see page 4).

RETURNING TO WORK IN 2014?



Many CTPF retirees return to work for social or financial reasons. You may return to work for a non-CPS or non-Charter school employer without restriction. If you plan to return to work for a CPS or Charter school employer (Employer), it's important to understand the rules so you do not jeopardize your pension.

SUMMARY

A retiree may return to work for an Employer without having his or her pension cancelled if the employment is temporary and non-annual or on an hourly basis so long as certain conditions are met:

- A. **Employment limit:** a retiree must not work for an Employer more than 725 hours in a school year
- B. **Compensation Limit:** a retiree must not accept gross compensation for the re-employment in a school year in excess of \$30,000. In the case of a retiree with at least 5 years of service as an Administrator, the limit is \$50,000 in a school year.

A school year is July 1 – June 30.

NOTIFICATION

If you plan to return to work for an Employer, notify CTPF 30 days in advance by completing Form 770.

RECIPROCAL RETIREES

Each reciprocal system has different rules regarding re-employment. Check the re-employment rules with **all** systems before returning to work.

FORMS AND QUESTIONS

Members can download CTPF Form 770 at www.ctpf.org. If you have questions, please contact Member Services at 312.641.4464.



**TRAINING
CALENDAR**

JANUARY 22

4:30 p.m. - 5:30 p.m.

Webinar: Writing a Letter to the Editor

Sharing your story is an important way to protect your pension. CTPF Communications Specialist Jackie Umbles will walk you through the process of writing a letter to your local newspaper editor. Register at goo.gl/Qmw7Kp

FEBRUARY 27

4:30 p.m. - 5:30 p.m.

Webinar: 2014 Economic Impact Statement and Legislative Agenda

This webinar offers an overview of the fund and a review of the 2014 Economic Impact Statement, and 2014 legislative agenda. Register at goo.gl/sbtBuW

MARCH 11 (ATTEND ONE)

9:30 -11:30 a.m. or 1:30-3:30 p.m.

CTPF Ambassador Training Session

Hands-on training session designed to help ambassadors learn to use the tools CTPF has available for educating legislators. Training will be in the CTPF office. Register at goo.gl/x6qRRR

APRIL 15 (ATTEND ONE)

9:30 -11:30 a.m. or 1:30-3:30 p.m.

CTPF Ambassador Training Session

Hands-on training session designed to help ambassadors learn to use the tools CTPF has available for educating legislators. Training will be in the CTPF office. Register at goo.gl/x6qRRR

PENSION FUND AMBASSADORS

This fall, CTPF launched a training program for members interested in serving as Pension Fund Ambassadors. The successful program attracted standing-room only crowds during sessions held on October 30 and December 19 in the CTPF office.

The training events offered the opportunity to learn more about the fund, and demonstrated the resources CTPF has made available for helping members communicate with legislators.

“Our retirees are well aware of the changes to State of Illinois pensions, and they’re concerned about their own retirement security. These seminars help our members understand the legislative

process, and how to communicate effectively with legislators,” said Jackie Umbles, communications specialist.

CTPF also offered three webinars this fall. Topics included a CTPF Pension FUNDamentals overview in September, a State of the Fund update in November, and a review of State pension reform legislation in December.

Additional seminars and webinars will be held this winter and spring. Registration is now open. See training calendar at left.



Photos: 1. CTPF Lobbyist Bukola Bello addresses retirees during the October 30, 2013, training session. 2. Chestine Allen a CTPF Ambassador shows off the talking point card that she successfully shared with her legislator. 3. Pension Fund Ambassadors from the December 19 morning session.



**PENSIONS MATTER:
JOIN CTPF AMBASSADORS**

Type this link into your favorite browser: goo.gl/QtrMVV and register as a CTPF Pension Fund Ambassador today.

LEGISLATIVE UPDATE

Find additional information about CTPF's Legislative Agenda and links to legislation on our Education and Advocacy page at www.ctpf.org.

LAWMAKERS PASS STATE PENSION REFORM

Illinois lawmakers in both the House and Senate passed pension reform legislation, Senate Bill 1, on December 3, 2013. The bill included changes to four of the five state pension systems: Teachers' Retirement System (TRS), State Employees Retirement System (SERS), State Universities Retirement System (SURS), and the General Assembly Retirement System (GARS). Governor Quinn signed the bill which is now PA 98-0599. The law becomes effective June 1, 2014.

CTPF is NOT currently included in this legislation, but many have voiced the opinion that it could be used as a model for future CTPF pension reform.

SUMMARY OF STATE CHANGES

The legislation guarantees full funding for state funds by 2044, and makes several changes to pensions for current and future retirees. The legislation changes the calculation for annual annuity adjustments for current retirees and skips annual adjustments for current employees, depending on age. The law also increases the retirement age for members under age 45, caps pensionable salary and decreases employee contributions.

FIND MORE INFORMATION

CTPF has posted a recorded webinar with information about the legislation along with a summary of the law's provisions on the Education and Advocacy page at www.ctpf.org.

CTPF'S ROLE

The Illinois legislature determines the laws and rules that govern CTPF. The CTPF Board of Trustees administers the law and protects the Fund's finances to ensure retirement security for all members.



WHAT TO DO NOW? *Many members have asked what they can do to help protect their pensions. Here are three steps you can take now.*

1. Join the Pension Fund Ambassador Program (see page 6).
2. Register your e-mail address with CTPF (see page 5).
3. Visit the Education and Advocacy page at www.ctpf.org to learn more about contacting legislators.

CTPF CALENDAR

Trustee meetings, held in the CTPF office, are open to the public. Please confirm meeting times/dates at www.ctpf.org.

JANUARY

- 1 New Year's Day Holiday, office closed
- 16 9:30 a.m., Trustee Meeting
- 20 Martin Luther King Jr. Day, office closed

FEBRUARY

- 12 Lincoln's Birthday, office closed
- 17 President's Day, office closed
- 20 9:30 a.m., Trustee Meeting

MARCH

- 3 Casimir Pulaski Day, office closed
- 11 9:30 a.m. and 1:30 p.m., CTPF Ambassador training, register at goo.gl/x6qRRR
- 20 9:30 a.m., Trustee Meeting

APRIL

- 15 9:30 a.m. and 1:30 p.m., CTPF Ambassador training, register at goo.gl/x6qRRR
- 24 9:30 a.m., Trustee Meeting

MAY

- 15 9:30 a.m., Trustee Meeting
- 26 Memorial Day holiday, office closed

OFFICE/MAILING ADDRESS

Chicago Teachers' Pension Fund
203 North LaSalle Street, suite 2600
Chicago, Illinois 60601-1231

312.641.4464 fax: 312.641.7185
www.ctpf.org memberservices@ctpf.org

Hours: 8:00 a.m. – 5:00 p.m. M-F



Chicago Teachers' Pension Fund

203 North LaSalle Street, suite 2600
Chicago, Illinois 60601-1231

Presorted Standard
U.S. Postage
PAID
Chicago, IL
Permit No. 2237

*Like Us on
Facebook
and follow us on
Twitter*



CTPF BOARD OF TRUSTEES' 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.

BOARD OF TRUSTEES

- Jay C. Rehak, *president*
- Lois W. Ashford, *vice president*
- Mary Sharon Reilly, *financial secretary*
- Raymond Wohl, *recording secretary*
- Carlos M. Azcoitia
- Robert F. Bures
- Jeffery Blackwell
- Bernie Eshoo
- Tina Padilla
- Walter E. Pilditch
- Jerry Travlos
- Andrea L. Zopp
- Kevin B. Huber, *executive director*

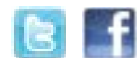
Connect with CTPF



Protecting pensions and safeguarding your retirement security are responsibilities we share with our members.

We need your help. Please share your E-mail address with CTPF and follow us on social media so we can keep you informed and up-to-date about issues and actions which may impact your pension.

Take Action Today



We need your help to protect your pension. Like us on Facebook and Join our e-mail list in 3 easy ways:



Text CTPF to 22828
(Standard messaging rates apply)



Scan the code



Click "join mailing list" on our Facebook page