Town Hall
Webinar
January 26, 2022
Today’s Presenter

Carlton W. Lenoir, Sr.
CTPF Executive Director and Interim Chief Investment Officer

Welcome
Town Hall Agenda

- CTPF Overview & Highlights
- Funding & Investment Overview
- Winter Reminders
- Summary
- Staying Informed & Connected
Overview & Highlights
CTPF Governance

CTPF is governed by an independent Board of Trustees include six trustees elected by the active teacher membership, one trustee elected by the active principals and administrators, three trustees elected by the retired membership, and two trustees appointed by the Board of Education.

2021-2022 CTPF Board of Trustees

Jeffery Blackwell  
President

Mary Sharon Reilly  
Vice President

Miguel del Valle

Victor Ochoa

Tina Padilla

Maria J. Rodriguez

Jacquelyn Price Ward  
Financial Secretary

Lois Nelson  
Recording Secretary

Jerry Travlos

Dwayne Truss

Quentin S. Washington

Philip Weiss

Board Members are CTPF Fiduciaries.
2022 Trustee Elections

This fall CTPF will hold elections for:

- 2 Teacher Trustees
- 1 Principal Administrator Trustee

Teachers and Principal Trustees will serve three-year terms from November 2022-2025

Election Packets will be available April 1, 2022 (email elections@ctpf.org)

2022 Elections will be conducted by mail due to the pandemic. Watch your mail for additional information this spring.

CTPF Pension Reps are a primary source of Election information, if your school doesn't have a Pension Rep and you'd like to serve email elections@ctpf.org.
FY 2021 Highlights

FY 2021 was unprecedented in that we operated 100% remotely during the pandemic.

CTPF responded to over 47,000 phone calls and answered more than 21,500 emails.

Webinars assisted and educated thousands of members on retirement, health insurance open enrollment, Medicare eligibility, Medicare enrollment, and general CTPF info.

myCTPF the Member Self-Service portal provided new options for members.
FY 2021 Highlights

Benefit Services processed more than 600 retirement applications in FY 2021 including 400 this summer.

1,300 refunds processed in FY 2021

The Team also leads an initiative to enhance automation for refund processing which continues this year.
CTPF Provides health insurance coverage for approximately 17,500+ retirees and 1,200 rebates for retirees with other coverage.

CTPF sends a Health Insurance Handbook annually and offers webinars to educate members. 2021 had an additional webinar added to discuss Medicare enrollment.

2021 Survey showed high satisfaction with health insurance materials and communications.
FY 2021 Highlights

FY 2021 42 Virtual Meetings
19 Regular and Special Board meetings
23 Committee meetings

- Illinois law requires in-person meetings. An emergency order by the Governor allows CTPF to hold meetings remotely.
- We continue to evaluate ways to offer long-term remote attendance, within the boundaries of the Open Meetings Act.

2022 Meeting schedule has changed.
Visit ctpf.org/calendar for schedule and login information.
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Funding & Investment
Overview
2021 Revenue Sources

In addition to investment revenue, CTPF receives contributions from four major sources: the State of Illinois, a tax levy, CPS, and employees. CTPF received $1.1 billion in revenue as of June 30, 2021:

- $524.9 million in property tax receipts
- $266.9 million from the State of Illinois
- $211.9 million from employee contributions
- $94.1 million from the Chicago Board of Education (CPS)
Investment Strategy

CTPF Investment Strategy:

Maintain a diverse mix of assets

Accept a level of risk appropriate for a large public employee retirement system

Invest for a lifetime
Investment Overview

Fiscal Year 2022 Summary (July 1, 2021 – June 30, 2022)

Total Assets as of December 31, 2021: $13.4 billion

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<th></th>
<th>Fiscal Year to Date (12/31)</th>
<th>Last 3 Years</th>
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<th>Last 10 Years</th>
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2021 Fiscal Year Summary

Investment returns as of June 30, 2021 28.7%

$13.1 billion in assets

Investment Assumption: 6.5%
CTPF Annualized Returns

C + I = B + E

CTPF Annualized Rate of Return 1987-2021
35-Year Average Growth Rate 8.97%

Investment Return Assumption is 6.5%
CTPF Fund Values 1987-2021

CTPF closed FY 2021 with $13.1 billion in assets
Total MWDBE % Growth Since 1997

<table>
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<th>FY 21</th>
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<tr>
<td>FY 97</td>
<td>5.2%</td>
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CTPF Funding Ratio History

Public Act 100-0465 increases the tax levy to 0.567%. Requires the State of Illinois to pay the normal cost portion of the CPS’ required contribution and $65 million for retiree health insurance costs beginning Fiscal Year 2018.

In 2016 Illinois legislators pass Public Act 99-0521 reestablishing the pension tax levy. This is the first time since 1995 that CTPF has a guaranteed revenue source.

BOE requests and receives additional $1.2 billion in pension payment “relief” over 3 years.

Prior to 1995 CTPF was funded through City of Chicago tax levy. 1995 legislation redirected tax levy to CPS operating budget.

BOE resumes payments to CTPF

Funding shortfalls begin to take toll

CPS collects $2B in pension tax revenue; contributes $0 to CTPF.

GA installs “safety net” to protect fund. State of Illinois agrees to a CTPF contribution of 20% of amount allocated for TRS. Law also requires CPS to resume contributions when funding falls below 90%. State funding fails to materialize.
CTPF Funding Ratio Projected Growth

Projected Funded Ratio Based on Actuarial Value of Assets
Summary

1. CTPF is a well-managed fund with sound investment policy and 8.97% return during the past 35 years.

2. Chronic underfunding and a lack of investment caused the funded ratio to drop.

3. We are on a funding plan which will put us at 90% funded by 2059, and we'll remain between 50-60% funded for the next two decades.

4. Legislation passed by the Illinois General Assembly in 2017 reestablishing a dedicated tax levy and requiring the State of Illinois to make normal cost contributions have helped put CTPF on a path toward financial stability.

5. More than 48% of our investments are held by MWDBE managers and 23% of our assets are held by Illinois-based managers.
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Winter Reminders
Coronavirus Impact

- Regular payments for annuitants have proceeded as scheduled.
- All CTPF employees have laptop computers and have been operating remotely.
- CTPF has increased communications to members, sending publications to home addresses instead of schools, and sending Enews twice a month.
- The Board of Trustees continues to conduct the business of the Fund with public meetings using Zoom technology and will continue to do so as allowed by the OMA.
- Education and training has been moved to webinars, which has resulted in increased access by members.
2022 New Year Changes

2022 Health Insurance and AAI

- CTPF Trustees voted to keep the Health Insurance Premium Subsidy to 60%, effective 1/1/2022.
- New health insurance rates in effect January 1, 2022
- AAI included in January paychecks
- 1099 Forms will be issued by January 31

Contact CTPF Member Services if you need additional information or have questions about your 2022 pension payment.
2022 Retirement Webinars

If you’re considering retirement in 2022, we invite you to join CTPF for a retirement webinar.

<table>
<thead>
<tr>
<th>Monday, February 21, 2022</th>
<th>Tuesday, April 12, 2022</th>
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<tbody>
<tr>
<td>Webinar</td>
<td>9:00 a.m. or 1:00 p.m.</td>
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<tr>
<td>Register by February 9th to receive a pension estimate in time for the webinar.</td>
<td>Register by April 1st to receive a pension estimate in time for the webinar.</td>
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Registration available at ctpf.org/calendar
Find Retirement Resources at ctpf.org/retirement-resources
Staying Informed & Connected
myCTPF Portal

Register Today!
Visit ctpf.org
1. Stay in Touch
   - Make sure you’re registered for monthly email updates
   - Follow us on social media

2. Keep us Up-to-Date
   Our information depends on your communication. Make sure you keep the Fund up-to-date with your personal data
   - Current members update through your employers
   - Retirees update through member services

3. Visit [www.ctpf.org](http://www.ctpf.org)
   - Find news and information about the Fund
Thank You

For more information, please contact
CTPF Member Services:
312.641.4464 | ctpf.org
MemberServices@ctpf.org