



Chicago Teachers' Pension Fund

VISIT US AT WWW.CTPF.ORG

SECOND NOTICE TEACHER TRUSTEE ELECTION, FRIDAY, OCT. 27, 2006

Active CTPF members will elect 2 teacher trustees who will serve 3-year terms from November 2006 to November 2009.

ROLE AND RESPONSIBILITIES

The Board of Trustees represents CTPF in all matters concerning retirement benefits, provides general oversight for all operations, and approves all benefits. The board meets monthly. Trustees serve without compensation but employers may grant paid leave for CTPF-related activities.

ELIGIBILITY

Individuals interested in running for the position of teacher trustee must hold an Illinois state teaching certificate and have 10 years of employment in the Chicago Public Schools or charter schools. Teachers must be currently enrolled in the CTPF system.

NOMINATION

If you wish to run for office, you may request a nomination packet from CTPF's election coordinator at 312.604.1400, ext. 234. Signatures must be secured from current CTPF contributors who would be eligible to vote in the election being conducted had the election occurred at the time the member signed the petition. The deadline for submitting completed petitions is 5:00 p.m., Friday, September 29, 2006.

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Executive Director's Letter



Kevin B. Huber,
executive director

Lesson Plans and Life Plans. For the membership of the Chicago Teachers' Pension Fund, the two are inextricably intertwined. Prior to becoming teachers our members determine that their Life Plan includes educating the children of the Chicago Public School system. After completing their training and beginning their careers as teachers, our members create vital Lesson Plans that guide them and provide structure for the hours they spend with students. The reward for that most noble of Life Plans and years of Lesson Plans is the period of years our members spend as pensioners of the Chicago Teachers' Pension Fund.

This summer, CTPF welcomed more than 1,200 retirees who traded lesson plans for their own personal life plans. These new retirees represent more than 36,000 years of combined service to students. This fall, as our new retirees pass the torch, we welcome hundreds of new teachers who will become pension fund members. Despite the different seasons of their respective Life Plans, our retired members and our new active members have a great deal in common.

For every teacher, retirement means something different. The point at which teachers unite, however, is in knowing that as members of CTPF, they will enjoy a secure pension for their lifetimes.

For every teacher, retirement means something different. The point at which teachers unite, however, is in knowing that as members of CTPF, they will enjoy a secure pension for their lifetimes. For more than 110 years, the CTPF has leveraged its assets to provide service retirement, and other benefits for our members and their survivors. Perhaps because teachers are planners the benefits and services CTPF provides have grown to include not only retirement pensions, but also disability benefits, death benefits, survivor pensions, and health insurance.

Retiree member and active member interests are represented at the CTPF by the Board of Trustees. Six of the twelve Trustees are elected by active teachers; three are elected by retired teachers; two are appointed by the Board of Education, and one is elected by the members who are administrators. These volunteer trustees meet monthly and are charged with protecting member interests and ensuring wise investments by the CTPF. We urge all members of the Fund to take the time to learn about the candidates and vote in the elections when they occur. *See column one.*

The CTPF is created by state statute and the benefits provided by the Fund are dictated by that same statute. Since CTPF pensions are guaranteed by the State of Illinois, the statutes often impact the amount of funding the State provides to the CTPF. From time to time we have called upon our membership, both active and retired, to make their voices heard on important pension fund legislation by contacting their state representatives.

Continued on page 3

MEDICARE A REFERENDUM

The deadline for returning ballots for the voluntary Medicare referendum for eligible teachers is September 15. Teachers continuously employed by the Chicago Public Schools (CPS) since March 31, 1986 and previously exempt from contributing to Medicare are eligible to contribute to Medicare. Information was mailed to eligible teachers this summer.

At age 65, most insurers, including CTPF-sponsored carriers require Medicare enrollment as your primary health insurance provider. The number of Medicare credits you earn prior to retirement determines if you will receive Medicare A (Inpatient Care coverage) at no cost, or if you will have to purchase Medicare A after you reach age 65.

If you have 40 Medicare credits at age 65, you are eligible for Medicare A at no cost. If you have 30-39 credits at age 65 you receive Medicare at a reduced monthly premium. If you have fewer than 30 credits at age 65 you will be required to purchase Medicare A to participate in a CTPF-sponsored group health insurance plan. You may find it beneficial to elect to contribute to Medicare if:

1. You have not acquired 40 credits from other employment.
2. You do not qualify for Medicare through a current, deceased, or divorced spouse.

You may already qualify for Medicare coverage, if any of the following situations applies to you:

- If you are married for at least nine months prior to your date of eligibility and your spouse is eligible for Medicare.
- If you were married for 10 years or more and are currently unmarried, you may participate in Medicare at age 65 through your Medicare eligible divorced spouse.
- If your Medicare eligible spouse is deceased and you were married for at least nine months, and you are currently unmarried (or remarried after age 60).

Those who elect to contribute to Medicare will see the deduction on their paycheck in October. The Medicare deduction is 1.45% of gross salary and is matched by an equal contribution from the employer.

If you are not sure if you have any Medicare credits, contact Social Security credits, 800.772.1213; for further information regarding the referendum call CTPF Member Services at 312.641.4464 or visit www.ctpf.org. If you have questions regarding current payroll deductions for Medicare contributions, call CPS 773.553.1142 or email your questions to Medicare@cps.k12.il.us.

This is a one-time irrevocable election and your only opportunity to participate in Medicare as part of your current CTPF-covered employment. If you do not return this ballot, you will not participate in the Medicare contribution option, no contributions will be deducted from your wages, and you will not accumulate Medicare credits through your current position.



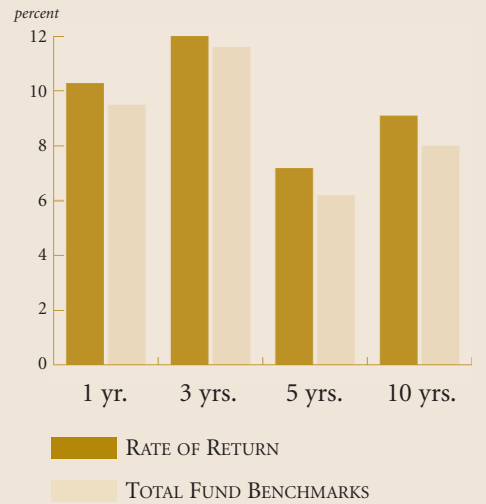
The CTPF will hold its second annual Pension Representative Workshop Saturday, September 16, 2006, from 9:30 a.m. - 12:00 p.m. at the Holiday

PENSION REPRESENTATIVE WORKSHOP

Inn Mart Plaza, 350 North Orleans Street, Chicago. The workshop will provide an opportunity for pension representatives to gain more information about the benefits CTPF provides, and understand the new field service program, and the teacher trustee election. Pension representatives will also have the opportunity to sign up as volunteer for the teacher trustee Election.

CTPF RETURN ON INVESTMENTS*

	RATE OF RETURN	TOTAL FUND BENCHMARKS
1 year	10.3	9.5
3 years	12.0	11.6
5 years	7.2	6.2
10 years	9.1	8.0



*As of June 30, 2006. The approximate current value of the Fund is \$11.2 billion. The largest single CTPF holding is Exxon Mobil at approximately \$117 million.

The CTPF Board of Trustees has approved a \$100 stipend for all pension representatives who attend the workshop and conduct the teacher trustee election in their schools. The stipend will be paid in December. Pension representatives should call 312.604.1234 to reserve a place at the workshop.



CTPF 2006 - 2007 CALENDAR

Trustee meetings, held in CTPF offices, are open to the public. Members are encouraged to attend. Public participation is the first item on the agenda and provides individuals three minutes to address the board.

September

- 15 Deadline for Medicare enrollment, see page 2
- 16 9:30 a.m.-12:00 p.m., pension representative workshop, Holiday Inn Mart Plaza, Chicago, reservations required, 312.604.1234
- 19 9:30 a.m., trustee meeting
- 29 5:00 p.m. nomination packets due for teacher trustee election

October

- 3-4 Health Fair, open enrollment workshop for health insurance. See below.
- 9 Columbus Day, office closed
- 24 9:30 a.m., trustee meeting
- 27 Teacher trustee elections, all Chicago Public Schools. See page 4 for other polling places.

November

- 10 Veterans Day, office closed
- 15 Health insurance enrollment packets due
- 21 9:30 a.m., trustee meeting; new trustees sworn in; board elects officers
- 23-24 Thanksgiving holiday, office closed

December

- 21 9:30 a.m., trustee meeting
- 25 Christmas holiday, office closed

January

- 1 New Year Holiday, office closed

EXECUTIVE LETTER

continued from page 1

This past year we avoided the proposed pension “holiday” in part because our members contacted their legislators and made it clear that this method of balancing the budget was not acceptable.

We may ask you to lend your voice in the future when it is important that our issues be heard and addressed. This quarterly newsletter and our website www.ctpf.org are designed to keep you informed of developments and information that may affect your future pension. We urge you to read our newsletters thoroughly and visit our website regularly for current news.

We also ask that you keep us informed. As your Life Plans change and major life events such as marriage, birth, or death occur, please update your information with the Fund. Keep your Designation of Beneficiary form up to date to make sure that we know your wishes in the event of your death. When you receive your first pension check, read all of the accompanying documentation so that you fully understand the payments you will receive. When you receive your first paycheck from your employer, make sure that there is a 2% deduction for pension contributions. If you have any questions about your first pension check or your pension contributions, please contact our Member Services department.

I want to take this opportunity to thank all of our retiring members for their many years of service and dedication to the task of educating our children and to welcome our new teachers as you begin your careers.

Most importantly, I want to assure you that the CTPF Trustees and staff are here for you. At CTPF we look forward to supporting you in reaching all of your life and retirement goals.



—Kevin B. Huber, executive director

RETIREES HEALTH INSURANCE / OPEN ENROLLMENT

Retirees will receive their health insurance open enrollment packets in the mail during September. The open enrollment packet details changes or highlights in various health insurance plans as well as the necessary forms for enrollment. The health insurance carriers for the CTPF sponsored plans remain the same. They are Blue Cross Blue Shield of Illinois, HMO Illinois, and Humana. The deadline for submitting the enrollment forms is November 15. Changes made during open enrollment are effective January 1, 2007.

If you currently participate in a CTPF-sponsored health-insurance plan and do not plan to make any changes during open enrollment, you do not need to submit a new enrollment form. Your current coverage will automatically continue.

Individuals who want more information about their insurance options should plan to attend CTPF's Open Enrollment Health Fair, October 3 at the Holiday Inn Merchandise Mart, Chicago, or October 4 at the Marriott Chicago Midway.

The Health Fair will feature presentations on various health-insurance topics, offer a chance to meet with individual health insurance vendors who can answer plan-specific questions, and provide a chance to turn in enrollment applications. Reservations are required. For more information on the seminars, please contact CTPF Member Services at 312.641.4464.

*Attend the CTPF's Open Enrollment Health Fair,
October 3 at the Holiday Inn Merchandise Mart, Chicago,
or October 4 at the Marriott Chicago Midway.*



Candidates will be notified of their certification to run for office no later than Tuesday, October 3, 2006.

Elections will be conducted Friday, October 27, 2006, in the schools between the hours of 7:00 a.m. and 12:00 noon. Alternate polling places include:

- **CTPF offices**
203 North LaSalle Street, suite 2600,
8:30 a.m. - 5:30 p.m.
- **Board of Education offices**
125 S. Clark Street,
8:00 a.m. - 11:00 a.m.
- **Chicago Teachers' Union offices**
222 Merchandise Mart, suite 400
8:00 a.m. - 11:00 a.m.

If you anticipate being absent the day of the election, you may request an absentee ballot. Absentee ballot requests may be downloaded from www.ctpf.org or obtained by calling 866.720.HELP (4357).

Absentee ballot requests must be received on or before October 13, 2006, and absentee ballots must be received by October 27, 2006.

ASSURING A FAIR ELECTION

The CTPF works diligently to ensure that the teacher trustee election is conducted with integrity and the election results are fair and valid. To meet this goal, the Board of Trustees hired Election Services Corporation (ESC), an independent, neutral election service, to oversee preparation of all ballot materials, verify candidate petitions, arrange distribution of the election materials and instructions, and oversee and conduct tallying of the ballots.

Last year, in order to assure that everyone had an opportunity to vote, but to limit the possibility of casting multiple votes, a control number was assigned to each ballot. Some CTPF members expressed concern that this might compromise the privacy of the individual voter.

This year, as an additional step to enhance privacy, the control numbers will be removed from the voter registration sheets by means of a perforation. These numbers will then be sealed in a separate envelope. The sealed ballot box, sealed envelope with control numbers, registration sheets, Judges' Certificate of Election, and unused material will be returned to CTPF for reconciliation and tabulation.

During the reconciliation process, if there is any discrepancy with the number of ballots the judges have recorded and the number of ballots found in the box, an authorized representative of ESC will run an analysis by comparing the ballots with the control numbers. Using this system ensures the anonymity of casting ballots and a fair election for all.

If you have questions about the voting process either before or during the election, please contact CTPF's Election Coordinator at 312.604.1234.

CAST YOUR VOTE ✓✓✓✓✓✓✓✓✓✓✓✓✓✓✓✓



Your vote is your voice. Contributing members will elect two teacher trustees to represent their interests in all matters related to CTPF. Electing trustees is an important responsibility for CTPF members. Elections will take place **Friday, October 27, 2006**. See above for more information on polling places and absentee ballots.



FIELD SERVICE PROGRAM UP AND RUNNING



Sheron Banks-Fallis



Jackie Umbles

The Field Service Representatives carry out the mission of the Pension Fund by conducting regular seminars and workshops to inform and educate the active and retired membership . . .

After a successful launch last spring, the CTPF Field Services Unit (FSU) is working on projects for the current school year. Field Representatives (FRs) serve as a liaison between the Chicago Teachers' Pension Fund and the active and retired membership. The unit's primary function is to provide teachers with the information they need to make important life decisions during their active careers so that they fully enjoy their retirement years.

Field Representatives will work with pension representatives in schools so that they may effectively serve as a first line of contact for members who have questions concerning CTPF benefits. Additionally, FRs will be available to provide comprehensive workshops and educational sessions for all Charter and Chicago Public Schools.

During June and July, FRs conducted a series of Medicare referendum workshops for members currently employed and eligible to contribute to Medicare. The workshops were well attended. Attendees provided enthusiastic feedback regarding the need for more interactive and educational sessions and workshops for our members.

On July 25, the Field Services Unit conducted the first in-service school workshop for the 2006-2007 school year. Additional meetings have been scheduled throughout the upcoming school year. In these meetings, FRs provide information and answer questions on fund-related topics. Topics include optional service purchases, service retirements, early retirement options, disability benefits, reciprocal service, death benefits, and health insurance/Medicare.

The FRs will be conducting a Pension Representative Workshop on September 16. See page 2 for more information on this program. If your school is interested in scheduling a seminar or workshop, please contact Sheron Banks-Fallis or Jackie Umbles at 312.641.4464.

LEGISLATIVE UPDATE

This year, CTPF avoided a proposed pension fund "holiday" from the Chicago Board of Education (BOE) in part because members and retirees contacted their legislators to make sure they understood the importance of fully funding pension obligations. The BOE made a contribution to CTPF this year of approximately \$27 million. Next year the required contribution is expected to be closer to \$80 million. As the BOE faces increasing budget difficulties it could continue to seek legislative relief from current pension costs. It is critical for CTPF members and retirees to contact their legislators to make sure they understand the importance of supporting and funding CTPF.

In addition to BOE funding, CTPF receives funding from the State of Illinois. This past year CTPF received \$75 million in funding from the state. The state's contribution is vital to the health of the pension fund but the amount has not been increased since the late 1980s. If the funding from the state had

been adjusted for inflation over this period, the state's current contribution would be approximately \$139 million. It is critical that you contact your local legislator and make sure that s/he knows that you support increasing funding to CTPF. Illinois law says that the state will make every effort to fund CTPF at 20-30% of the State Teachers' Retirement System (TRS). However, CTPF has averaged less than 10% of the funding for TRS over the past decade.

The CTPF website provides a link to legislators and their e-mail addresses. Please take the time to write your legislators and politicians to thank them for their current support and to remind them of the importance of supporting future legislation to fund CTPF.





Chicago Teachers' Pension Fund

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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.

OFFICE AND MAILING ADDRESS

Chicago Teachers' Pension Fund
203 North LaSalle Street, suite 2600
Chicago, Illinois 60601-1210
312.641.4464 phone
312.641.7185 fax
www.ctpf.org
memberservices@ctpf.org
Office hours
7:30 a.m. to 5:00 p.m. Monday through Friday

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