YOUR MONEY BACK

Many teachers now ask about a refund of contributions made
since September 21, 1981. That is the date the Board of Edu-
cation started paying seven of every eight dollars required
under Illinois law to be deducted from salaries for pension
benefits.

Two months after permanent separation from service, any
teacher may apply for a refund of his contributions and any
made on his behalf. This includes those made by the Board of
Education.

A refund includes contributions without interest, and acceptance
of a refund terminates membership in the Fund and cancels all
service credits previously established. In order to apply for a
refund, a contributor must officially terminate service and wait
two months before an application for refund may be submitted.
For further details, see the pamphlet "Refund of Your Contri-
butions". It should be available from your Pension Representative
or can be obtained from the Pension Office.

FEDERAL ISSUES

President Reagan has appointed a special committee to complete an
overview of tax legislation, with the report due in December.
Congressional action on Social Security matters will
likely be delayed until at least December, or until next year when
newly-elected members of Congress will take office. Thus, we do
not expect any extension of the Social Security/Government Pension
Offset to be passed by the December 1982 deadline. Chicago teach-
ers concerned with the federal offset or any other Social Security
questions may need the following address:

Mr. Robert J. Myer, Executive Director
National Commission on Social Security Reform
736 Jackson Place, N.W.
Washington, D.C. 20503

On June 11, 1981, the Board of Trustees passed a resolution opposing
PHSA legislation that would require federal regulation of state and
local retirement plans. Such legislation has been reintroduced in the
House of Representatives by Mr. Edslphon from Illinois (H.R. 4928) and Mr. Burton from California (H.R. 4929). Comparable
legislation has been introduced in the Senate (S.B. 2105 and S.B.
2106 respectively) by Sen. John Chafee of Rhode Island. There
are also a number of bills in Congress that would exempt a specified
amount of retirement income for federal purposes. Chicago teachers
and pensioners may wish to contact their individual congressmen to
express their views on these issues at this time.

ELECTION OF PENSION FUND REPRESENTATIVES & JUDGES

May is the month for in-school selection of Judges for election of
Pension Fund trustees. Schools in even-numbered districts elect Judges in even-numbered years; schools in odd-numbered
districts elect Judges in odd-numbered years. The Judge who
receives a plurality of votes cast in each school shall serve as
Pension Fund Representative for that unit. Election instructions
are being prepared and will be sent to the schools shortly.

Judges elected by the contributors are responsible for conducting
in efficient election of trustees in October. Our goal is 100% participation in the fall election this year.

BLUE CROSS-BLUE SHIELD OPEN ENROLLMENT

INCREASE OF MEDICARE PREMIUMS

The 1982 Blue Cross-Blue Shield open enrollment for teacher-
pensioners will be held September 1 through October 31, 1982.
Membership will become effective January 1, 1983. Annu-
tants should request an application form from the Pension
Office by September 15, 1982. Applications received after
October 31st cannot be accepted. The base rate for Medicare
(Part B) for 1983 will be increased from $11,000 to $12,20 per month effective July 1, 1983. The increase will
affect June 1982 checks because premiums are paid one month in
advance.

FIFTY AND OUT

In April of 1982 the Fund offices were moved to the Builders
Building at 228 N. La Salle Street. In April of 1982 they will
move to 205 W. Wacker Drive, Chicago, Illinois, 60606.

Please remember that virtually all of your Pension Office
business can be conducted through the mails or over the phone.
While contributors are always welcome to visit the offices, such a trip is not necessary to apply for benefits or to contact any
pension-related business.

RESULTS OF 1981 OPERATIONS

The results of operations for the 1981 fiscal year display
constructive progress. Contributors will be pleased to know
that the average yield on the investment account (based upon
annualized returns and current rate of return for stocks and short term investments) as of August 31, 1981
was 10.7%, compared with 10.0% a year earlier. Given the Fund's
objectives of safety of principal, long-term growth, and main-
tenance of the standards required by the Illinois Pension Code,
this rate of return is considered highly successful, and compares
very favorably with those of many other Illinois public employee
pension plans. Total benefits paid were $85,121,700, including
monthly checks sent to 9,000 retirees and death benefits paid
to heirs of teachers and pensioners.

Complete details of the fiscal operations are available in the
86th ANNUAL REPORT, two copies of which will be sent
to each school. This report contains a Summary of the Year's
Operations by Robert T. Wilkie, President of the Board of
Trustees, a report by the actuary, A. A. Weinberg, and the
audit report of the Fund's financial position completed by Ernst & Whinney, certified public accountants.

1982 LEGISLATIVE PROPOSALS

At the February 18, 1982 meeting of the Board of Trustees, the
following proposals were adopted as the 1982 Legislative
Program, with the understanding that appropriation bills will
take first priority.

1. Revise the Automatic Annual Increase from 3% to
   4% per year.

2. Reduce the discount for retirement before age 60 to
   1/4% from 1/2% for each month under age 60 beginning
   with retirement occurring on or after July 1, 1982.

3. Start Automatic Annual Increases at age 56 instead
   of 61 years of age.

4. Grant military service credit (up to 2 years) served
   before pension period, subject to statutory cost requirements
   for benefits.

5. Revise the $7,500 single payment death benefit maximum
   by raising it to $10,000. Change the 1/5 per year decrease
   of death benefit after retirement to 1/10 per year with a
   minimum of $5,000.

6. Revise the Automatic Annual Increase to include all
   those receiving survivor pension after age 55.

7. Change Reversionary Pension to restore original pension
   to pensioner when the reversionary beneficiary predeceases the
   pensioner.

8. Allow remarriage of surviving spouse with no loss of
   survivor pension after age 55.

9. Amend the early retirement provision to provide the
   same early retirement benefits as now exist for teachers as
   currently exist for other teachers in Illinois.

SUGGESTIONS?

We welcome your suggestions of topics to be covered in future
editions of PENSION NEWS.

BOARDS OF TRUSTEES

Aprl, 1982

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