

*Public School Teachers' Pension and Retirement Fund
of Chicago*



PENSION NEWS

March 1997 Issue

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Financial Report. As of February 28, 1997, the market value of cash and invested assets of the Pension Fund totaled nearly \$7.3 billion. The Pension Fund's total rate of return was 11.7% for the 1996 fiscal year and 9.3% for the past ten years. These facts and many others are reflected in the Fund's 101st Annual Report as of August 31, 1996, copies of which are sent to all Chicago Public Schools and other public bodies.

Pension Law. The Trustees' bipartisan proposals to the Illinois Legislature have been introduced with assistance from the Pension Fund's legislative liaisons, Henry Anselmo and Eugene Barnes. *Special thanks* are extended to the legislative leaders mentioned below who have sponsored these efforts in the Legislature. *Many thanks* are also extended to Senators James DeLeo (D), Robert Madigan (R), John Cullerton (D), and Robert Molaro (D) and Representatives Ralph Capparelli (D) and Skip Saviano (R) for their counsel, guidance and support during this legislative session. All of our members are encouraged to thank our legislative leaders for their support.

HB366 makes provision relating to federal benefit limitations; amends investment accounting provisions. Representative Harold Murphy (D).

SB101 is same as HB 366. Senators Robert Madigan (R) and John Maitland (R).

HB356 provides additional State funding to pension fund. Reps. Ralph Capparelli (D), Robert Bugielski (D), Joseph Lyons (D), Miguel Santiago (D), Edgar Lopez (D), Daniel Burke (D), Joseph Kotlarz (D), Roger McAuliffe (R) and Skip Saviano (R).

HB384 provides one-time increase to pensioners with 20 or more years teaching who retired before July 1, 1986. Reps. Robert Bugielski (D), Ralph Capparelli (D), Joseph Lyons (D), Miguel Santiago (D) and Skip Saviano (R).

HB373 increases automatic annual increase from 3% to 4%. Reps. Joseph Lyons (D), Ralph Capparelli (D), Robert Bugielski (D), John Fritchey (D), Edgar Lopez (D) and Skip Saviano (R).

HB376 changes period used to determine average salary from 4 years to 3 years. Reps. John Fritchey (D), Joseph Lyons (D), Ralph Capparelli (D), Miguel Santiago (D), Joseph Kotlarz (D) and Skip Saviano (R).

HB355 eliminates age discount for persons with at least 30 years of service who retire before age 60. Representatives Ralph Capparelli (D), Robert Bugielski (D), Daniel Burke (D), Joseph Lyons (D), Miguel Santiago (D), Edgar Lopez (D), Roger McAuliffe (R), Joseph Kotlarz (D) and Skip Saviano (R).

Bill TBA amends pension formula to 2.2% of final average salary for each year of service.

HB357 extends early retirement program for persons who retire at end of 1996 - 1997 school year. Reps. Ralph Capparelli (D), Joseph Lyons (D), Robert Bugielski (D), Daniel Burke (D), Roger McAuliffe (R), Miguel Santiago (D), Edgar Lopez (D) and Skip Saviano (R).

HB354 extends deadline for early retirement option without discount from June 30, 1995 to June 30, 2005. Reps. Ralph Capparelli (D), Daniel Burke (D), Robert Bugielski (D), Miguel Santiago (D), Edgar Lopez (D), Roger McAuliffe (R), Joseph Kotlarz (D), Joseph Lyons (D) and Skip Saviano (R).

SB274 grants additional benefits to those persons who began receiving early retirement benefits in 1993. Senator Patrick O'Malley (R).

HB385 increases minimum survivor's pension to 50% of earned retirement pension for survivors of members who died before Jan. 1, 1987. Reps. Robert Bugielski (D), Ralph Capparelli (D), Joseph Lyons (D), Miguel Santiago (D), and Skip Saviano (R).

HB372 makes administrative changes and corrections. Rep. Joseph Kotlarz (D) and Skip Saviano (R).

HB371 changes the annual limit on amount of reimbursement to pensioners for health insurance costs from \$25,000,000 to \$40,000,000. Rep. Joseph Kotlarz (D) and Skip Saviano (R).

HB409 clarifies that pensioners may return to temporary teaching in Chicago for up to 100 days per year without loss of pension benefits. Reps. Miguel Santiago (D), Ralph Capparelli (D) and Skip Saviano (R).

Pensioners' Health Insurance Rates. The Pension Fund staff depends on you to advise us of changes in your family dependents' status or when adding or deleting coverage for family members. Please make sure that you write to us about these changes. You must also contact the Pension Fund when you turn 65 and become eligible for Medicare. Send us a copy of your Medicare card and your completed Medicare plan application form. Forms are available at the Pension Office.

Pensioners' Health Insurance Open Enrollment. Once again it is time to review your health insurance needs. In June 1997 all pensioners will receive in the mail an updated summary of the health insurance programs and costs available through the Pension Office. In addition, the Pension Office will host an Open Enrollment meeting on June 16 with the insurance companies to allow pensioners to ask questions and make enrollment decisions. Just as in the past, Open Enrollment will extend from mid-June through July 15. The effective date for making changes to your health insurance program is September 1, 1997.

Help Us Help You! When telephoning or writing the Pension Office please be sure to include your social security number, full name, maiden or former name (if applicable), address, telephone number, and favorable time when you can be reached.

To request an estimate of pension, just pick up the telephone and call the Pension Fund office, as it is not necessary to come to the office for this information. The information needed to process pension estimates is your social security number and the date upon which your estimate should be based. All estimates are confidential and are mailed directly to your home address.

Pension Speaker at Your School. The Trustees will send a speaker to your school upon request. Telephone the Pension Office at (312) 641-4464, and ask for Ms. Davis.

Official Announcements! After more than thirty years of management service to the Pension Fund, Executive Director James F. Ward will be retiring in August 1997. Succeeding Mr. Ward will be Michael J. Nehf, who has served as Assistant Executive Director for the past three years. Dean J. Niedospial has also recently joined the Pension Fund as Chief Financial Officer, after having served with the Park Employees' Annuity and Benefit Fund. Join us in wishing our officials the very best in their new endeavors!

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