



PENSIONS MATTER

Education and Advocacy Initiative

THE BUCK STAYS HERE

*Understanding the economic impact of
CTPF benefit payments on the State of
Illinois and the City of Chicago*



NOVEMBER 2012

EXECUTIVE SUMMARY

CTPF educators make an immeasurable impact on children: educating, nurturing, and helping them grow into productive citizens and future leaders. Yet an educator’s impact extends far beyond the classroom — active and retired educators are also consumers, taxpayers, and voters — who live and work in Chicago and surrounding communities. They help to drive the economy of our city and state.

“
... active and retired educators are also consumers, taxpayers, and voters ...

Pensions generate about 11,066 jobs in the State of Illinois including 5,750 in the City of Chicago.

We call upon the legislators of the State of Illinois to examine the facts about pensions ...

This report examines the impact that CTPF educators have **outside** the classroom, and the benefits pensions offer the economy of the City of Chicago and the State of Illinois.

The report is presented in two sections. The first section examines the number of CTPF members and their benefit payments by legislative district. Information is shown for legislators in the State of Illinois along with a break out of legislators who have constituents in the City of Chicago.

The second part of the report details how CTPF benefit payments impact the economy of the State of Illinois and the City of Chicago. Pension payments, which are not tied to market returns, enable our retirees to spend — even in times of recession, providing an important stimulus for local economies.

Section two also examines the “ripple effect” pensions create on our local economy. By applying multipliers from the U.S. Department of Commerce Bureau of Economic Analysis, we can begin to understand the important role that CTPF pension dollars play in providing jobs and economic stimuli.

Our study found that about 93% of CTPF retirees live in the State of Illinois, and about 50% live in the City of Chicago. CTPF benefit payments provide:

- \$1.01 billion in direct benefit payments to retirees in the State of Illinois
- \$1.48 billion in total economic impact in the State of Illinois
- \$527 million in benefit payments to retirees in the City of Chicago
- \$770 million in total economic impact on the City of Chicago

Pension benefit payments and their ripple effect help create markets and jobs. Pensions generate:

- 11,066 jobs in the State of Illinois, including
- 5,750 jobs in the City of Chicago

We call upon the legislators of the State of Illinois to examine the facts about pensions and to understand that CTPF retirees value their benefits — but more importantly — spend their benefits at home in Illinois.

Terms:

Active Members: individuals who are currently paying into CTPF

Inactive Members: individuals who have contributions on deposit with CTPF but are not currently paying into the system

Retired Member: members who receive a pension or disability benefit from CTPF

Source: Bureau of Economic Analysis, United States Department of Commerce

PART 1: CTPF MEMBERS AND RETIREES BY ILLINOIS SENATE DISTRICT

District	Illinois State Senator	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payments	Jobs Resulting from Benefit Payments
001	Antonio Muñoz (D)	1,032	930	102	\$ 4,719,429	\$ 6,896,973	52
002	William Delgado (D)	1,693	1,549	144	6,915,712	10,106,621	76
003	Mattie Hunter (D)	1,571	1,216	355	17,756,784	25,949,764	194
004	Kimberly A. Lightford (D)	1,368	846	522	26,577,935	38,840,994	290
005	Annazette R. Collins (D)	2,112	1,832	280	13,611,306	19,891,562	149
006	John J. Cullerton (D)	4,016	3,283	733	35,233,643	51,490,446	385
007	Heather A. Steans (D)	2,872	2,332	540	24,313,379	35,531,572	265
008	Ira I. Silverstein (D)	3,373	2,076	1,297	62,070,437	90,709,737	678
009	Jeffrey M. Schoenberg (D)	1,898	953	945	42,567,267	62,207,805	465
010	John G. Mulroe (D)	3,079	2,383	696	32,080,198	46,882,002	350
011	Steven M. Landek (D)	1,680	1,331	349	16,387,362	23,948,491	179
012	Martin A. Sandoval (D)	605	526	79	4,035,317	5,897,213	44
013	Kwame Raoul (D)	4,060	2,374	1,686	88,771,104	129,730,092	969
014	Emil Jones, III (D)	3,578	2,125	1,453	73,619,061	107,586,896	804
015	James T. Meeks (D)	1,601	797	804	43,468,495	63,524,859	475
016	Jacqueline Y. Collins (D)	2,157	1,573	584	28,837,095	42,142,530	315
017	Donne E. Trotter (D)	4,473	2,551	1,922	105,115,227	153,615,393	1,148
018	Edward D. Maloney (D)	3,983	2,494	1,489	75,969,470	111,021,784	830
019	M. Maggie Crotty (D)	2,107	890	1,217	64,354,485	94,047,644	703
020	Iris Y. Martinez (D)	2,057	1,856	201	9,284,099	13,567,783	101
021	Ronald Sandack (R)	745	390	355	16,073,788	23,490,234	176
022	Michael Noland (D)	139	83	56	2,390,349	3,493,256	26
023	Carole Pankau (R)	354	196	158	7,246,949	10,590,691	79
024	Kirk W. Dillard (R)	520	313	207	9,216,659	13,469,226	101
025	Christopher J. Lauzen (R)	318	156	162	6,756,356	9,873,738	74
026	Dan Duffy (R)	353	162	191	7,534,682	11,011,184	82
027	Matt Murphy (R)	638	316	322	13,083,408	19,120,093	143
028	John J. Millner (R)	317	186	131	5,354,744	7,825,423	58
029	Susan Garrett (D)	1,152	510	642	26,169,878	38,244,660	286

District	Illinois State Senator	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payments	Jobs Resulting from Benefit Payments
030	Terry Link (D)	365	173	192	\$ 7,899,994	\$ 11,545,052	86
031	Suzi Schmidt (R)	189	107	82	3,052,053	4,460,270	33
032	Pamela J. Althoff (R)	166	82	84	3,201,867	4,679,209	35
033	Dan Kotowski (D)	1,003	498	505	24,300,352	35,512,535	265
034	Dave Syverson (R)	34	16	18	415,043	606,543	5
035	Christine J. Johnson (R)	68	40	28	865,545	1,264,907	9
036	Michael Jacobs (D)	21	10	11	274,923	401,772	3
037	Darin M. LaHood (R)	27	14	13	368,283	538,209	4
038	Sue Rezin (R)	73	40	33	1,170,796	1,711,002	13
039	Don Harmon (D)	1,255	805	450	21,979,936	32,121,479	240
040	Toi W. Hutchinson (D)	700	288	412	19,887,189	29,063,137	217
041	Christine Radogno (R)	1,159	498	661	31,886,995	46,599,654	348
042	Linda Holmes (D)	284	199	85	4,205,308	6,145,637	46
043	Pat McGuire (D)	327	173	154	6,712,804	9,810,092	73
044	William E. Brady (R)	25	17	8	159,745	233,451	2
045	Tim Bivins (R)	46	15	31	1,209,638	1,767,765	13
046	David Koehler (D)	18	13	5	38,882	56,822	0
047	John M. Sullivan (D)	10	2	8	179,691	262,600	2
048	Thomas Johnson (R)	290	197	93	3,126,154	4,568,562	34
049	William Samuel McCann (R)	10	4	6	230,325	336,597	3
050	Larry K. Bomke (R)	35	13	22	481,014	702,955	5
051	Kyle McCarter (R)	16	11	5	169,093	247,113	2
052	Michael W. Frerichs (D)	37	26	11	133,969	195,782	1
053	Shane Cultra (R)	35	16	19	486,323	710,712	5
054	John O. Jones (R)	11	5	6	198,053	289,435	2
055	Dale A. Righter (R)	15	10	5	125,842	183,906	1
056	William R. Haine (D)	10	6	4	154,996	226,511	2
057	James F. Clayborne, Jr. (D)	7	5	2	104,904	153,307	1
058	David S. Luechtefeld (R)	17	2	15	398,227	581,969	4
059	Gary Forby (D)	17	5	12	630,464	921,360	7
	Unknown Legislator	236	36	200	9,901,599	14,470,196	108
Grand Total		60,357	39,555	20,802	\$ 1,013,464,625	\$ 1,481,077,207	11,066

PART 1: CTPF CITY OF CHICAGO RESIDENTS BY ILLINOIS SENATE DISTRICT

District	Illinois State Senator with Chicago Residents in District	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payments	Jobs Resulting from Benefit Payments
001	Antonio Muñoz (D)	1,032	930	102	\$ 4,719,429	\$ 6,896,973	52
002	William Delgado (D)	1,693	1,549	144	6,915,712	10,106,621	76
003	Mattie Hunter (D)	1,571	1,216	355	17,756,784	25,949,764	194
004	Kimberly A. Lightford (D)	463	367	96	4,853,855	7,093,424	53
005	Annazette R. Collins (D)	2,112	1,832	280	13,611,306	19,891,562	149
006	John J. Cullerton (D)	4,016	3,283	733	35,233,643	51,490,446	384
007	Heather A. Steans (D)	2,872	2,332	540	24,313,379	35,531,572	265
008	Ira I. Silverstein (D)	2,543	1,711	832	39,978,782	58,424,992	437
009	Jeffrey M. Schoenberg (D)	128	104	24	1,024,442	1,497,120	11
010	John G. Mulroe (D)	2,948	2,318	630	29,058,222	42,465,686	317
011	Steven M. Landek (D)	1,207	1,044	163	7,554,389	11,039,985	82
012	Martin A. Sandoval (D)	473	435	38	2,097,525	3,065,323	23
013	Kwame Raoul (D)	4,060	2,374	1,686	88,771,104	129,730,092	969
014	Emil Jones, III (D)	2,980	1,850	1,130	57,617,192	84,201,765	629
015	James T. Meeks (D)	322	220	102	5,442,967	7,954,352	59
016	Jacqueline Y. Collins (D)	2,050	1,513	537	26,542,778	38,789,615	290
017	Donne E. Trotter (D)	4,351	2,472	1,879	103,022,923	150,557,700	1125
018	Edward D. Maloney (D)	2,533	1,780	753	38,722,212	56,588,641	423
020	Iris Y. Martinez (D)	2,057	1,856	201	9,284,099	13,567,783	101
033	Dan Kotowski (D)	101	77	24	1,124,694	1,643,629	12
039	Don Harmon (D)	515	394	121	6,640,782	9,704,838	73
	Unknown legislator	61	11	50	2,624,277	3,835,118	29
Grand Total		40,088	29,668	10,420	\$ 526,910,496	\$ 770,027,001	5,753

PART 1: CTPF MEMBERS AND RETIREES BY ILLINOIS HOUSE DISTRICT

District	Illinois State Representative	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payment	Jobs Resulting from Benefit Payments
001	Dena M. Carli (D)	343	296	47	\$ 2,104,524	\$ 3,075,551	23
002	Edward J. Acevedo (D)	689	634	55	2,614,905	3,821,422	29
003	Luis Arroyo (D)	551	479	72	3,354,823	4,902,739	37
004	Cynthia Soto (D)	1,115	1,044	71	3,508,008	5,126,603	38
005	Kenneth Dunkin (D)	1,058	797	261	13,294,330	19,428,333	145
006	Esther Golar (D)	513	419	94	4,462,454	6,521,431	49
007	Karen A. Yarbrough (D)	635	316	319	16,336,523	23,874,194	178
008	La Shawn K. Ford (D)	733	530	203	10,241,412	14,966,799	112
009	Arthur Turner, Jr. (D)	1,149	994	155	7,590,706	11,093,057	83
010	Eddie Winters (D)	963	838	125	6,020,600	8,798,505	66
011	Ann M. Williams (D)	2,029	1,766	263	13,044,783	19,063,646	142
012	Sara Feigenholtz (D)	2,002	1,531	471	22,241,740	32,504,079	243
013	Gregory Harris (D)	1,437	1,252	185	8,525,557	12,459,249	93
014	Kelly Cassidy (D)	1,435	1,080	355	15,787,822	23,072,323	172
015	John C. D'Amico (D)	1,899	1,227	672	33,485,464	48,935,657	366
016	Louis I. Lang (D)	1,474	849	625	28,584,973	41,774,080	312
017	Daniel Biss (D)	1,105	496	609	27,985,301	40,897,718	306
018	Robyn Gabel (D)	793	457	336	14,581,967	21,310,086	159
019	Joseph M. Lyons (D)	1,523	1,204	319	15,168,605	22,167,400	166
020	Michael P. McAuliffe (R)	1,556	1,179	377	16,911,593	24,714,602	185
021	Michael J. Zalewski (D)	916	729	187	8,724,347	12,749,761	95
022	Michael J. Madigan (D)	764	602	162	7,663,015	11,198,731	84
023	Daniel J. Burke (D)	497	448	49	2,601,935	3,802,467	28
024	Elizabeth Hernandez (D)	108	78	30	1,433,383	2,094,745	16
025	Barbara Flynn Currie (D)	2,024	1,068	956	50,031,643	73,116,244	546
026	Kimberly du Buclet (D)	2,036	1,306	730	38,739,460	56,613,847	423
027	Monique D. Davis (D)	2,357	1,427	930	46,500,023	67,955,134	508
028	Robert Rita (D)	1,221	698	523	27,119,038	39,631,762	296
029	Thaddeus M. Jones (D)	1,042	464	578	31,787,989	46,454,967	347
030	William Davis (D)	572	346	226	11,680,507	17,069,893	128
031	Mary E. Flowers (D)	1,354	950	404	20,377,060	29,779,035	222
032	André M. Thapedi (D)	803	623	180	8,460,035	12,363,495	92
033	Marcus C. Evans, Jr. (D)	2,638	1,485	1,153	62,474,088	91,299,633	682
034	Elgie R. Sims, Jr. (D)	1,835	1,066	769	42,641,139	62,315,760	466
035	William Cunningham (D)	2,558	1,709	849	42,937,026	62,748,170	469
036	Kelly M. Burke (D)	1,425	785	640	33,032,445	48,273,614	361
037	Charles W. Krezwick (D)	605	304	301	14,064,876	20,554,410	154
038	Al Riley (D)	1,502	586	916	50,289,609	73,493,234	549

District	Illinois State Representative	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payment	Jobs Resulting from Benefit Payments
039	Maria Antonia Berrios (D)	1,066	961	105	\$ 5,150,032	\$ 7,526,256	56
040	Deborah L. Mell (D)	990	894	96	4,134,068	6,041,526	45
041	Chris Nybo (R)	474	244	230	10,807,278	15,793,756	118
042	Sandra M. Pihos (R)	271	146	125	5,266,510	7,696,478	58
043	Keith Farnham (D)	26	22	4	159,372	232,906	2
044	Fred Crespo (D)	113	61	52	2,230,977	3,260,350	24
045	Franco Coladipietro (R)	123	64	59	2,626,480	3,838,338	29
046	Dennis M. Reboletti (R)	231	132	99	4,620,469	6,752,354	50
047	Patricia R. Bellock (R)	304	176	128	5,778,469	8,444,655	63
048	Michael G Connelly (R)	216	137	79	3,438,190	5,024,572	38
049	Timothy L. Schmitz (R)	189	86	103	4,474,051	6,538,378	49
050	Kay Hatcher (R)	129	70	59	2,282,304	3,335,360	25
051	Ed Sullivan, Jr. (R)	204	89	115	4,477,272	6,543,085	49
052	Kenton Gaffney (R)	149	73	76	3,057,410	4,468,099	33
053	Sidney H. Mathias (R)	409	181	228	9,435,691	13,789,319	103
054	Thomas R. Morrison (R)	229	135	94	3,647,717	5,330,774	40
055	Randy Ramey, Jr. (R)	138	82	56	2,270,997	3,318,835	25
056	Michelle Mussman (D)	179	104	75	3,083,747	4,506,588	34
057	Elaine Nekritz (D)	498	222	276	11,837,052	17,298,668	129
058	Karen May (D)	654	288	366	14,332,826	20,945,992	157
059	Carol A. Sente (D)	331	152	179	7,575,944	11,071,485	83
060	Rita Mayfield (D)	34	21	13	324,050	473,567	4
061	JoAnn D. Osmond (R)	86	51	35	1,284,594	1,877,306	14
062	Sandy Cole (R)	103	56	47	1,767,459	2,582,964	19
063	Jack D. Franks (D)	46	17	29	1,029,502	1,504,514	11
064	Michael W. Tryon (R)	120	65	55	2,172,365	3,174,694	24
065	Rosemary E. Mulligan (R)	676	332	344	17,422,125	25,460,693	190
066	David Harris (R)	327	166	161	6,878,227	10,051,842	75
067	Charles E. Jefferson (D)	10	7	3	94,824	138,576	1
068	John M. Cabello (R)	24	9	15	320,219	467,968	3
069	Joe Sosnowski (R)	30	16	14	549,562	803,129	6
070	Robert W. Pritchard (R)	38	24	14	315,983	461,778	3
071	Richard Morthland (R)	11	3	8	233,079	340,621	3
072	Patrick J. Verschoore (D)	10	7	3	41,844	61,151	0
073	David R. Leitch (R)	14	7	7	258,222	377,366	3
074	Donald L. Moffitt (R)	13	7	6	110,061	160,844	1
075	Pam Roth (R)	56	30	26	949,458	1,387,538	10
076	Frank J. Mautino (D)	17	10	7	221,338	323,464	2
077	Angelo Saviano (R)	237	148	89	4,248,824	6,209,231	46
078	Camille Y. Lilly (D)	1,018	657	361	17,731,112	25,912,248	194
079	Lisa M. Dugan (D)	145	57	88	3,667,953	5,360,346	40

District	Illinois State Representative	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payment	Jobs Resulting from Benefit Payments
080	Anthony DeLuca (D)	555	231	324	\$ 16,219,236	\$ 23,702,791	177
081	Renée Kosel (R)	568	261	307	14,779,568	21,598,860	161
082	Jim Durkin (R)	591	237	354	17,107,427	25,000,794	187
083	Linda Chapa LaVia (D)	42	20	22	1,432,846	2,093,961	16
084	Tom Cross (R)	242	179	63	2,772,462	4,051,676	30
085	Emily McAsey (D)	266	132	134	5,990,397	8,754,367	65
086	Lawrence M. Walsh, Jr. (D)	61	41	20	722,407	1,055,725	8
087	Bill Mitchell (R)	6	3	3	61,919	90,488	1
088	Dan E. Brady (R)	19	14	5	97,826	142,963	1
089	Jim Sacia (R)	30	6	24	926,570	1,354,089	10
090	Jerry L. Mitchell (R)	16	9	7	283,068	413,676	3
091	Michael D. Unes (R)	5	4	1	6,423	9,387	0
092	Jehan A. Gordon (D)	13	9	4	32,459	47,435	0
093	Jil Tracy (R)	3	1	2	56,396	82,417	1
094	Norine Hammond (R)	7	1	6	123,295	180,183	1
095	Mike Fortner (R)	119	76	43	1,376,132	2,011,079	15
096	Darlene J. Senger (R)	171	121	50	1,750,023	2,557,483	19
097	Jim R. Watson (R)	8	2	6	230,325	336,597	3
098	Wayne Rosenthal (R)	2	2	0	0	0	0
099	Raymond Poe (R)	12	4	8	222,764	325,548	2
100	Rich Brauer (R)	23	9	14	258,250	377,407	3
101	Adam M. Brown (R)	10	7	3	72,574	106,060	1
102	Paul J. Evans (R)	6	4	2	96,518	141,053	1
103	Naomi D. Jakobsson (D)	30	20	10	116,518	170,280	1
104	Chad D. Hays (R)	7	6	1	17,450	25,502	0
105	Jason Barickman (R)	27	11	16	410,363	599,704	4
106	Keith P. Sommer (R)	8	5	3	75,960	111,008	1
107	John D. Cavaletto (R)	4	1	3	158,773	232,032	2
108	David Reis (R)	7	4	3	39,280	57,403	0
109	Brad E. Halbrook (R)	3	1	2	44,682	65,298	0
110	Chapin Rose (R)	12	9	3	81,160	118,608	1
111	Daniel V. Beiser (D)	2	1	1	53,723	78,511	1
112	Dwight D. Kay (R)	8	5	3	101,273	148,000	1
113	Scott E. Penny (R)	4	2	2	104,904	153,307	1
114	Eddie Lee Jackson, Sr. (D)	3	3	0	0	0	0
115	Mike Bost (R)	15	2	13	296,877	433,856	3
116	Jerry F. Costello, II (D)	2	0	2	101,350	148,113	1
117	John E. Bradley (D)	11	3	8	459,888	672,081	5
118	Brandon W. Phelps (D)	6	2	4	170,575	249,279	2
	Unknown legislator	236	36	200	9,901,599	14,470,196	109
Grand Total		60,357	39,555	20,802	\$ 1,013,464,625	\$ 1,481,077,207	11,066

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District	Illinois State Representative with Chicago Residents in District	Total Members	Active and Inactive Members	Retired Members	Total Annual Benefit Amount for Retirees	Total Economic Impact of Benefit Payment	Jobs Resulting from Benefit Payments
001	Dena M. Carli (D)	343	296	47	\$ 2,104,524	\$ 3,075,551	23
002	Edward J. Acevedo (D)	689	634	55	2,614,905	3,821,422	29
003	Luis Arroyo (D)	551	479	72	3,354,823	4,902,739	37
004	Cynthia Soto (D)	1,115	1,044	71	3,508,008	5,126,603	38
005	Kenneth Dunkin (D)	1,058	797	261	13,294,330	19,428,333	145
006	Esther Golar (D)	513	419	94	4,462,454	6,521,431	49
007	Karen A. Yarbrough (D)	40	28	12	566,455	827,818	6
008	La Shawn K. Ford (D)	423	339	84	4,287,400	6,265,606	47
009	Arthur Turner, Jr. (D)	1,149	994	155	7,590,706	11,093,057	83
010	Eddie Winters (D)	963	838	125	6,020,600	8,798,505	66
011	Ann M. Williams (D)	2,029	1,766	263	13,044,783	19,063,646	143
012	Sara Feigenholtz (D)	2,002	1,531	471	22,241,740	32,504,079	243
013	Gregory Harris (D)	1,437	1,252	185	8,525,557	12,459,249	93
014	Kelly Cassidy (D)	1,435	1,080	355	15,787,822	23,072,323	172
015	John C. D'Amico (D)	1,592	1,090	502	25,091,243	36,668,342	274
016	Louis I. Lang (D)	951	621	330	14,887,539	21,756,650	163
018	Robyn Gabel (D)	128	104	24	1,024,442	1,497,120	11
019	Joseph M. Lyons (D)	1,516	1,198	318	15,108,061	22,078,920	165
020	Michael P. McAuliffe (R)	1,432	1,120	312	13,950,162	20,386,766	152
021	Michael J. Zalewski (D)	637	547	90	4,140,717	6,051,244	45
022	Michael J. Madigan (D)	570	497	73	3,413,672	4,988,741	37
023	Daniel J. Burke (D)	469	431	38	2,097,525	3,065,323	23
024	Elizabeth Hernandez (D)	4	4	0	0	0	0
025	Barbara Flynn Currie (D)	2,024	1,068	956	50,031,644	73,116,244	546
026	Kimberly du Buclet (D)	2,036	1,306	730	38,739,460	56,613,847	423
027	Monique D. Davis (D)	2,040	1,285	755	37,953,737	55,465,591	414
028	Robert Rita (D)	940	565	375	19,663,455	28,736,173	215
029	Thaddeus M. Jones (D)	100	79	21	1,018,126	1,487,889	11
030	William Davis (D)	235	154	81	4,424,841	6,466,463	48
031	Mary E. Flowers (D)	1,247	890	357	18,082,743	26,426,120	197
032	André M. Thapedi (D)	803	623	180	8,460,035	12,363,495	92
033	Marcus C. Evans, Jr. (D)	2,638	1,485	1,153	62,474,089	91,299,633	682
034	Elgie R. Sims, Jr. (D)	1,713	987	726	40,548,834	59,258,066	443
035	William Cunningham (D)	2,031	1,490	541	27,354,825	39,976,342	299
036	Kelly M. Burke (D)	502	290	212	11,367,387	16,612,299	124
039	Maria Antonia Berrios (D)	1,066	961	105	5,150,032	7,526,256	56
040	Deborah L. Mell (D)	990	894	96	4,134,068	6,041,526	45
065	Rosemary E. Mulligan (R)	101	77	24	1,124,694	1,643,629	12
077	Angelo Saviano (R)	23	16	7	357,822	522,922	4
078	Camille Y. Lilly (D)	492	378	114	6,282,959	9,181,917	69
	Unknown legislator	61	11	50	2,624,277	3,835,118	29
Grand Total		40,088	29,668	10,420	\$ 526,910,496	\$ 770,027,001	5,753

PART 2: ECONOMIC IMPACT

Measurement of Impact on Illinois Economy

- \$1.01 billion in CTPF benefit payments are made to Illinois residents
- \$1.48 billion in total economic impact results from CTPF pension benefit payments to Illinois residents
- Economic activity from pension benefit payments generates 11,066 jobs in Illinois

Measurement of Impact on City of Chicago Economy

- \$527 million in benefit payments are made to City of Chicago residents
- \$770 million in total economic impact results from CTPF pension benefit payments to City of Chicago residents
- Economic activity from pension benefit payments generates 5,750 jobs in Chicago

UNDERSTANDING THE MULTIPLIER EFFECT: HOW SPENDING IS GENERATED BY PENSIONS

Adapted from the National Institute on Retirement Security study: *Pensionomics 2012: Measuring the Economic Impact of DB Pension Expenditures*

1. PENSION BENEFIT

A retired CTPF member receives a monthly benefit check.

\$



2. DIRECT IMPACT

S/he uses CTPF benefit money to purchase a car.

\$ \$



3. INDIRECT IMPACT

As a result of that purchase, the owner of the dealership, the car salesperson and each company involved in the production and advertising of that car, receive income which can be spent.

\$ \$ \$ \$



4. INDUCED IMPACT

Companies who benefit from the purchase can hire additional employees and those employees spend paychecks on the local economy.

\$ \$ \$ \$ \$ \$ \$ \$



THE BUCK STAYS HERE \$\$\$\$ \$\$\$\$ \$\$\$\$ \$\$\$\$ \$\$\$\$

More than 90% of CTPF's retired members live in the State of Illinois, and about 50% live in the City of Chicago. CTPF retirees spend their pensions close to home benefitting our state and local economies.

CALCULATING TOTAL ECONOMIC IMPACT

Economic activity includes CTPF Benefit payments and all additional economic activity in Illinois generated by those payments. Economic multipliers measure the direct and indirect effect of payments made to CTPF retirees. Multipliers are supplied by the U.S. Department of Commerce Bureau of Economic Analysis.

Region: Illinois, Industry, Households -----

- Data used in this study: \$1.01 billion in benefits paid to 20,802 retirees residing in Illinois
- Total impact is based on CTPF benefit payments multiplied by the US Bureau of Economic Analysis total output multiplier of 1.4614
- $1.4614 \times \$1.01 \text{ billion} = \1.48 billion in economic activity in Illinois
- $1.4614 \times \$527 \text{ million} = \770 million in economic activity in Chicago

JOBS CREATED

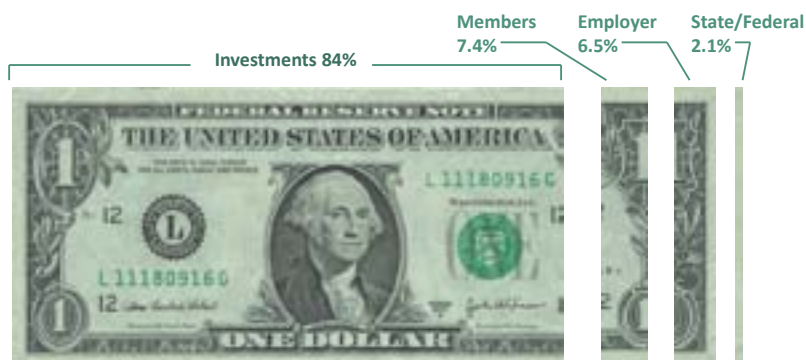
Money spent in Illinois translates into jobs for Illinois residents. Multipliers are supplied by the U.S. Department of Commerce Bureau of Economic Analysis. The job creation factor is 10.9190 per million.

Region: Illinois, Industry, Households -----

- Approximately 11,066 jobs are created in Illinois as a result of CTPF pension benefit payments.
- Approximately 5,750 jobs are created in Chicago as a result of CTPF pension benefit payments.

REVENUE SOURCES

CTPF receives revenue from four sources; the largest portion being investment returns which generate about .84 cents for every pension dollar paid to retirees. The Board of Education, the fund's primary employer, has failed to fully fund CTPF pensions since 1995, costing the fund \$3.2 billion in revenue. The State of Illinois makes a minimal contribution to the fund.



PENSIONS MATTER

It's time to understand the big picture when we look at pensions. A pension is an efficient vehicle for providing retirement security. The National Institute on Retirement Security estimates that a Defined Benefit (pension) plan can provide benefits at about half the cost associated with a 401(k) plan.

CTPF benefits are modest. The average annual payment in 2011 was about \$41,500 for a member who retired with 28 years of service.

CTPF members are savers. CTPF members have been contributing to pensions since 1895, more than 40 years before Social Security was established. Our members do not receive Social Security retirement payments and rely on pensions to meet daily needs.

CTPF members are spenders. Every dollar paid out in pension benefits generates \$1.46 in economic activity for our State – a solid return in any economy. But in tough economic times, pensions matter more – because pensioners with guaranteed income can continue to spend.

CTPF members stay in Illinois. More than 90% of CTPF retirees live in Illinois, with 50% in the City of Chicago.

CTPF members drive our economy. Pension benefits are returned to Illinois and generate additional revenue through the ripple effect on our economy. Pension revenue helps to generate more than 11,000 jobs in our state with 5,750 in Chicago.

CTPF pensions matter, to educators, Chicago, and Illinois.



Chicago Teachers' Pension Fund



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.

Register for E-mail updates at www.ctpf.org

Find more information about CTPF Education and Advocacy efforts:

WWW.CTPF.ORG/GENERAL_INFO/ADVOCACY.HTM

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