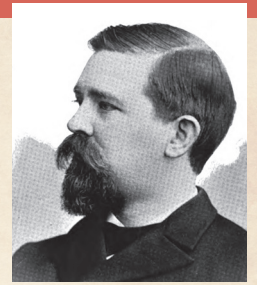


A PAGE FROM HISTORY

FEBRUARY 16, 1895, State Representative William C. Eakins of Chicago introduced a bill to the Illinois legislature “for the purpose of establishing a fund to be used to pension school teachers.” The legislation, authored by Charles Thornton, chair of the Chicago Public Schools Board of Trustees, gave the teachers of Chicago permission to establish a self-funded pension system. Pensions for teachers had been discussed in Illinois for decades, but this was the first time that the State legislature had taken action.

The legislation received widespread support and became law on July 1, 1895. The law helped to establish a system which would ensure the financial stability and dignity of teachers in retirement, not just in Chicago, but in the State of Illinois. CTPF will celebrate its 120th anniversary on July 1, 2015, and to help commemorate the occasion, the Fund will publish a series of stories examining important milestones in the Fund’s history.



Attorney Charles Thornton, first president of the Pension Board and author of the 1895 pension legislation.

CHALLENGING EARLY YEARS

May 29, 1895

Friday, May 29, 1895, Illinois Houses passes a pension bill with “great enthusiasm” with a vote of 116 to 3. The bill is sent to Governor Altgeld who signs the bill into law. The first pensions are 100% teacher funded with a 1% compulsory withdrawal from salary. Women teachers may retire after 20 years of service and men after 25. Maximum pension is set at \$600 per year.

June 15, 1895

Local papers tout the pension legislation as a highlight of the legislative session.

July 1, 1895

Pension law in force. The Board of Education sets November 27, 1895, as the date of the first pension board meeting. Governance of the Fund is managed by the Board of Education, Superintendent of Schools, and two elected representatives from the teachers and employees.

November 16, 1895



School delegates gather in the Schiller Theater in Chicago to accept nominations and determine a canvassing process for the pension board.

The Schiller Theater building

November 27, 1895

The first meeting of the Pension Board of Trustees received the report of the canvassing committee. Mrs. Ella F. Young and Mr. T. J. Waters were elected trustees. The original board included a total of 24 members.



Educator Ella Flagg Young was one of the two teachers’ representatives elected to the first pension board.

March 25, 1896

Sixteen women and one man are granted pensions.

November 17, 1897

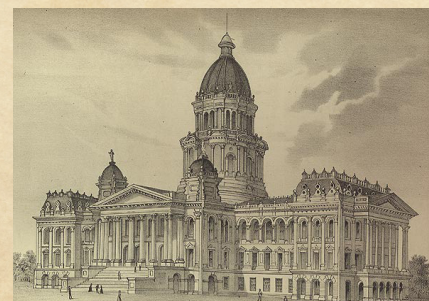
The Committee on Finance presented the Fund’s first financial Statement with income of \$82,160.25, expenses of \$19,490.49 and sets aside \$57,200 for investments.

May 29, 1900

The Fund suffers from financial stress as the incoming receipts are not enough to meet the growing pension roles. The cash reserves are overdrawn by \$1,300. The Fund sells assets to pay pensions.

November 10, 1900

A group of teachers demand that the Pension Board hire an actuary to examine the pension law and to recommend changes that will ensure solvency.



December 21, 1895

The Trustees establish rules for administering the Fund and establish January 1896 as the first date for a withdrawal of funds from teachers’ salary.

April 3, 1901

The actuary finds the current law inadequate to sustain pensions and recommends revisions.

July 10, 1901

The mandatory contribution provision is repealed and hundreds file for refunds.

September 13, 1901

Financial pressures force the Pension Board to decrease pensions to 60% of their value.

August 30, 1905

The Board reorganizes with activist Jane Addams elected President. Addams pursues a new version of the pension law which will ensure sustainable benefits.



Jane Addams elected Pension Board president August 30, 1905

May 1907

Addams heads a delegation of supporters who lobby for passage of the new pension bill in Springfield.

May 13, 1907

The **Chicago Tribune** reports, “Joy for the Teachers” who were “jubilant” over the passage of two pension bills. One bill reorganized benefits and granted teachers an elected Board of Trustees. The second allowed the Board of Education to make contributions to the Fund from interest accumulated on education funds. This was the first time funding for pensions would come from sources other than teachers.

A New Era Begins

Addams’ leadership ushered in a new era which helped realize the dream of stable pensions for Chicago’s educators.