

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

205 W. Randolph Street • Suite 1305 • Chicago, IL 60606
www.taxpayersunited.org • E-mail: raeann@taxpayersunited.org

FOR IMMEDIATE RELEASE
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Contact: Rae Ann McNeilly (440)478-3858
(312)427-5128

Stunning Champaign and Decatur Government Pensions Crush Taxpayers

Champaign—Taxpayers United of America (TUA) today released the results of a new study of the pensioners of the Cities of Champaign and Decatur, Macon and Champaign County government schools, Richland Community College, Parkland Community College, and University of Illinois Urbana-Champaign.

“Hundreds of retired local government retirees are getting multi-million dollar pensions,” stated Rae Ann McNeilly, executive director of TUA. “This is not what they are getting paid to provide any kind of service to taxpayers, but what they get paid to do absolutely nothing.”

“Taxpayers’ portion of the stunning pension payouts has increased by [427% since 1998 vs. 75%](#) for the government employees over the same period, according to a report by Illinois Policy Institute. And if recent ‘reforms’ survive a court challenge, the taxpayers will be transferring even more of their wealth to the overpaid government retirees.”

“Not only is the taxpayers’ share of those lavish pensions disproportionate to the government employees who will benefit, [but the average government lifer pension is higher than 68% of the working taxpayers’ full-time annual pay](#). Keep in mind that the average Social Security pension for taxpayers is only about \$15,000 a year. This is the income inequality that we really need to be focused on.”

“Although ill-conceived from the beginning, government pensions were never supposed to make multi-millionaires out of retired ‘civil-servants.’ Government is robbing taxpayers blind, in many cases causing people to lose their own homes in order to fund the salaries and benefits of the government employees. As a general rule, about 80% of local taxes go to fund these government salaries and benefits.”

“It is past time to bring government pay and benefits in line with private sector compensation because simple math tells us that we can’t tax our way out of the financial debacle that the government employee defined benefit pension cartel has created.”

“Here’s what some of our local ‘civil servants’ are raking in from their taxpayer subsidized pensions: retired University of Illinois Urbana Champaign employee Craig Bazzani gets a lush annual pension of \$281,767 that will accumulate to a stunning \$9,431,462 over a normal lifetime. Retiring at the age of 55, Bazzani contributed only about 3.2% of his own money to his estimated lifetime payout.”

“Retiring from Mahomet Seymour CUSD 3 at only 54, John W. Alumbaugh collects a sweet \$166,414 this year. He will realize an estimated \$6,482,530 in lifetime payments having invested only 2.7% of his payroll to that huge payout.”

“Decatur government school district 61 retiree, Elmer B. McPherson will get \$163,916 in pension payments this year – just about the same amount of his own money that he invested in his estimated lifetime payout of \$5,784,519. Having retired at 56, his own pension contributions are only about 2.8% of those millions he will collect.”

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View the complete list of pensions here:

- [Champaign Municipal Firefighters](#)
- [Champaign Municipal](#)
- [Champaign County Government Teachers](#)
- [Richland Community College](#)
- [Macon County Government Teachers](#)
- [Decatur Municipal](#)
- [University of Illinois Urbana-Champaign](#)
- [Parkland Community College](#)

“These are shocking amounts for taxpayers to be on the hook. And while these represent the highest pensions, it does not diminish the fact that every local taxpayer pays about four times more toward the city government pensions than the very government employees who will collect.”

“Illinois’ government employee pensions are in dire trouble with no end in sight. Government employees, like the vast majority of taxpayers, should save for their own retirement. Taxpayers simply can’t afford to pay so many, so much, to do absolutely nothing and retirees can’t afford the inaction of Illinois lawmakers who are afraid to alienate the special-interest money that keeps them in office.”

“I have analyzed pensions of government employees in 19 states and have personally visited 17 of those states to disclose the government pension largesse across the country and these Champaign and Decatur pensions are some of the highest I have encountered. And everyone knows, or should know, that Illinois has the most friable pension systems in the entire country. As a direct result of the government pension crisis, Illinois also has the worst credit rating. Desperate politicians at every level are exacerbating the problems by raising taxes and forcing productive taxpayers, and the jobs they create, out of the state.”

“TUA supports complete government pension reform that would place all new hires into retirement savings accounts like 401(k)s, increasing existing employees’ contributions to their own pension, raising the retirement age to 67 for full benefits, and increasing retiree and employee contribution to their own healthcare to 50% of the premium.”

“If it takes a Constitutional Amendment to implement these changes, then let’s get it on the ballot at the next opportunity. It’s time the union bosses and government bureaucrats provide truthful options and education to the rank and file, of the crisis state of Illinois’ pension systems.”

“If they knew the truth, members would be the first in line to support pension reform. If they knew just how tenuous their *own* pensions are, they would be the cheerleaders of reform.”

*Lifetime estimated pension payout includes 3% compounded COLA and assumes life expectancy of 85 (IRS Form 590).