TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

407 S. Dearborn Street • Suite 1170 • Chicago, IL 60605-1150 • Fax: (312) 427-5139

• www.taxpayersunited.org • E-mail: christina@taxpayersunited.org

FOR IMMEDIATE RELEASE May 15, 2012

Contact: Christina Tobin (312) 320-4101

(312) 427-5128

GOVERNOR BROWN FAILS CONTRA COSTA

PLEASANT HILL— Governor Brown only missed his budget <u>by about \$16 billion</u> and still hasn't connected the dots between the crisis and the government employee pensions.

While residents across Contra Costa County face crushing taxes, falling home values, and high unemployment, the governor maintains favor with the union leaders by seeking a deal to cut government employee pay by 5%, increase taxes, and leave the pension problem untouched. This is the kind of deal that got us into this mess and yet here Brown is, making his own deal, selling out constituents to save face with union bosses who support him.

<u>Taxpayers United of America</u> (TUA) and Free and Equal (F&E) today revealed government employee pensions for the Contra Costa area. California is the 13th state in a nationwide tour for the two organizations.

"Many government retirees make more in pension payments than private sector taxpayers make in salaries," stated Christina Tobin, TUA Vice President and Founder and Chair of Free And Equal. "The California economy and the public pension systems are in serious trouble. Taxpayers struggle to save for their own retirement *and* fund the public pension system. Government retirees should be concerned if their *pension payments will continue*."

Tobin continued, "For example, **Craig Bowen**, retired San Ramon Valley Fire District employee, collects an annual pension of **\$295,428**. His estimated lifetime payout is **\$12,097,777***."

"Hye Kyung Kim, retired Contra Costa government employee, has an annual pension of \$291,168, with an estimated lifetime payout of \$13,102,560*."

"Retired Contra Costa County government teacher, **Daniel M. Smith**, has a lifetime estimated payout of **\$8,366,522*** based on his actual annual pension of **\$197,790**."

"California's government pension systems are crushing middle class Californians. Replacing defined benefit pensions for all new government hires with social security and 401(k)s would eventually eliminate unfunded government pensions. If current government employees would just increase their pension contributions, they would preserve their pension benefits. We need a stable system that is fair to both taxpayers and beneficiaries or pension checks will stop coming." Tobin, who will be attending Thursday's Pacific Research Event that will examine public pensions.

"The pension crisis is the number one budgetary problem for cities, counties and states across the country. A nationwide movement is under way to shift the dialogue to action. We are collaborating with the <u>leaders of pension reform</u>, in working to avert the collapse that will result from inaction. We will be launching our nationwide database for pension and electoral reform in the coming days. This online database will provide a repository of information on elections: the names, the money and the agendas."

"Many politicians lack the courage to do what's in the best interest of taxpayers. The many pension groups that have formed, are working to help enhance the citizens' groundswell that wants true electoral reform."

*TUA submits FOIA requests for actual pensions. Since personal information is not available, lifetime pension payouts are estimated based on retirement at 55, life expectancy of 85 (IRS Form 590), and 3% COLA.