

# TUA NEWS RELEASE

## TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE  
July 10, 2013

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### **Shhh! Top Secret Milwaukee Multi-Million \$\$ Government Pensions**

Milwaukee—[Taxpayers United of America](#) (TUA) today released the results of its study of the Milwaukee County, Milwaukee Municipal, and Milwaukee government school employees.

“The State of Wisconsin refuses to release actual pension payments in an effort to hide the huge subsidies from taxpayers. We can’t let them get away with that so we estimate the pensions for current government employees, giving taxpayers an idea of what their ‘public servants’ *get paid not to work*”, stated Jim Tobin, president of TUA.

“Even in Illinois, arguably the most corrupt state in the nation, we can get pension payments with the names of the recipients. This is critical in revealing the inherent problems of the government pension system. But like good politicians, Wisconsin legislators not only granted themselves lush pension payments, but also the protection of a secrecy statute, a law that keeps their pensions secret from the taxpayers who pay for them.”

“If we have learned anything about government over recent months, it is that the very things they try to keep secret are the very things about which we should know. While Wisconsin government pensions are not in as much trouble as Illinois’, there are always problems in a system that requires you to put large amounts of cash in the care of the government without completely open review.”

“Even with the recent, positive reforms implemented in Wisconsin, there is a long way to go to fix the pension problem here in Wisconsin. Looking at the top salaries in Milwaukee and estimating pensions for those employees, it is easy to see that a system that pays so many millions of dollars to people who do absolutely nothing is unsustainable. About 80% of local taxes go to pay salaries and benefits of government employees. As more retirees have to be paid out of that 80%, less money is available to pay current employees for the services we need today.”

“Wisconsin, like all state pension systems, gets away with very loose standards in calculating their pension system’s health. Unlike pensions in the private sector, government pension fund assets are overstated. But when new accounting standards go into effect next year, even Wisconsin which boasts a fully-funded pension system, will be underfunded by billions of dollars.”

“But average taxpayers can’t even fathom billions of dollars in unfunded liabilities. When we show taxpayers exactly what their government-employee neighbors are being paid *not to work*, they immediately understand the problem created by paying for services performed yesterday with tax dollars that are needed for services performed today.”

- [Top 100 Milwaukee County Govt Schools](#)
- [Top 100 Milwaukee County Govt Employees](#)
- [Top 100 Milwaukee Municipal Govt Employees](#)

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*Founded in 1976, TUA is one of the largest taxpayer organizations in America.*

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“**Gregory Thornton**, an employee at Vincent High School, gets a **salary of \$265,000**. On top of that, he gets about **\$75,000 in fringe benefits** – *each year*. His estimated annual pension is **\$211,500** and [his estimated lifetime payout is a stunning \\$4,441,500.](#)”

“Milwaukee County government employee, **Thomas Harding**, gets an annual salary of **\$254,068**. [His estimated lifetime pension payout is a cool \\$4,280,793](#) based on his estimated annual pension of **\$203,847.**”

“While our pension estimates are a very useful education tool, I encourage Wisconsin taxpayers to demand the right to review pension payments, especially since taxpayers, until the recent changes, have funded nearly 100% of the pensions and health-care premiums on behalf of government employees. I have written letters to Governor Walker and every member of the state legislature, urging them to stop hiding pension payments from taxpayer review.”

“[Lawmakers aren’t even willing to answer questions about the secrecy surrounding pension payments.](#)”

Wisconsin Reporter Bureau Chief, Matt Kittle said about the secrecy statute:

‘Wisconsin Reporter on Tuesday attempted to contact several state lawmakers asking why Wisconsin keeps pension information private while so many other states shine a light. None responded to the question as of this post.’

So not only are they [hiding behind a secrecy law](#), they are hiding from the press to even answer to the public.”

“Wisconsin needs not only to be more transparent, but to continue with pension reforms that will bring its government employee benefits in line with those of the private sector. Specifically, government pensions need to be replaced with 401k-style retirement savings accounts where taxpayer contributions are made when the conditions allow it. Government employees need to increase their contributions to match the level of the private sector, and government retirees and employees need to pay for at least half of their health-care premiums.”

Pension Estimate Assumptions:

1. Assumes employee retires in 1 year and this salary would be 2nd to last salary
2. Assumes employee is on the payroll for 41 years or more and retires at age 65 and pension = 70%
3. Plus Social Security, assuming 4% annual salary increases over last 35 years
4. "Total Pension Payout" uses IRS Life Expectancy Tables for age 65 (21 years).