

TUA NEWS RELEASE

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Taxpayers Struggle to Support Stunning Phoenix Government Pensions

Phoenix—[Taxpayers United of America](http://www.taxpayersunited.org) (TUA) today released the results of a new pension study of Phoenix and Arizona State government retirees.

“Arizona lawmakers have made modest attempts to undo the damage of administrations past, that have made budget-crushing deals with union bosses whose only concern is their own job security,” stated Jim Tobin, President of TUA.

“But despite efforts to reform the pension system, the very judiciary that will benefit from the lavish payouts ruled that the reforms written into law were unconstitutional, while the weight of the system’s unfunded liabilities crush the taxpayers. Government pensions are the number one budgetary problem in the country and Arizona is no different.”

“While residents across Arizona face crushing taxes, falling home values, high unemployment, and a painfully slow economic recovery, government employees continue to receive stunning pensions largely funded by taxpayers who will never collect more than about \$22,000 a year from Social Security.”

“The purpose of our study is to put some perspective around individual pensions, to put them in terms to which the average taxpayer can relate. Taxpayers need to know how much Arizona’s government retirees are being paid *not to work* and the astronomical accumulation of those payments over an average lifetime. The 400 top government retirees being released today will collect over \$1.4 billion to do absolutely nothing!”

Tobin continued, “For example, **Frank A. Fairbanks**, a retired Phoenix City Manager, collects an annual pension of **\$246,813**. His estimated lifetime pension payout could be a staggering **\$7,404,386.***”

“**Carol Peck**, retired Alhambra Elementary District 68 government teacher, has an annual pension of **\$225,545***, with an estimated lifetime payout of **\$6,766,362.***”

“Retired Cottonwood Police Department employee, **Robert D. Ullery**, has a lifetime estimated pension payout of **\$4,534,164*** with an annual pension of **\$151,139***.”

“Arizona’s government pension systems are crushing middle class Arizonans. [Replacing defined benefit pensions for all new government hires with social security and 401\(k\)s would eventually eliminate unfunded government pensions](#). Current government employees must consider a voluntary pension contribution of up to 10% to preserve their pension benefits. Additionally, all members should pay for 50% of their healthcare premiums. ***We need a stable system that is fair to both taxpayers and beneficiaries or pension checks will stop coming,***” added Tobin.

*TUA submits FOIA requests for pension recipients’ actual annual pensions, then estimates lifetime payouts based on IRS Form 590 LE of 85 and retirement at age 55.