TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE August 19, 2015

Contact: Rae Ann McNeilly (312) 427-5128

Perhaps it's Time for a Taxpayer Strike

Chicago—Taxpayers United of America (TUA) responds to the threat by the Chicago Teachers Union (CTU) to strike if taxpayers are no longer forced to pick up the 7% contribution to their pensions.

"It is amazing that Karen Lewis, CTU president, finds the notion of teachers paying their own way into their own pension fund, as dictated by statute, a cause to strike," stated executive director of TUA, Rae Ann McNeilly.

"Paying 9% into their own pensions isn't asking too much, is not a pay cut, and certainly isn't unfair to the teachers who will benefit."

"Taxpayers were forced to pay 7% of the 9% employees' pension contribution without a voice and without a choice. Now that there is financial crisis in Chicago's governments, bureaucrats are again looking to taxpayers to pony up even more of their hard-earned money."

"Chicago teachers are certainly not underpaid civil servants with an average salary of more than \$74,839, 9 months on the job, and Cadillac benefits. The teachers' salaries alone are far in excess of the \$45,000 average income of the taxpayers who pay them."

"There has been a lot of talk and analysis over who is to blame for the current financial crisis. One thing is for certain; it wasn't caused by the taxpayers who are constantly burdened with bailing out the mistakes of the bureaucrats who craft the deals that are so harmful to the taxpayers," added McNeilly.

"The Chicago teachers, under the leadership of Karen Lewis, were on strike for seven days only three short years ago. All they have to show for their efforts are additional cuts to programs, massive layoffs, and school closings. CTU is willing to strike over their own investment in their respective retirement, but at what cost to the community?"

"And what are we getting for our money? Less than 65% of CPS students graduate. Which government employee or teacher representative gets paid based on the graduation rate, the single most important outcome? Who do we hold accountable when the Chicago teachers make more than any other school system in the region and are at the top in compensation across the country?"

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"We have been calling for pension reform for years and to no avail. The CPS pension fund has, as predicted by TUA, reached the point of critical mass. Taxpayers have taken a pay cut every time government pensions have been sweetened and bolstered by bureaucrats who will never be held accountable for ushering in Chicago's financial crisis."

"I defy teachers, or any government employee, to look into their neighbors' eyes and say, 'you deserve another pay cut so I can make more in retirement than you make working.' They have to be able to say to their neighbors, 'I don't care if you can no longer afford your home's property tax payment, I want more.' That is the reality of demanding more. If you are a teacher, your neighbor is your employer," challenged McNeilly.

"As of our 2013 study of CPS pensions, Manford Byrd tops our list of taxpayer-funded annual pensions at \$174,157 per year."

"Barbara Eason-Watkins, Herman Escobar, Denise Gamble, Valerie Brown, Maria Rodriguez O'Keefe, Noemi Esquivel, Elizabeth Gonzalez, Miguel Trujillo, and Everett Edwards will all collect over \$5 million in estimated lifetime pension payouts!"*

You can see the complete list of our top 200 2013 CPS pensions here.

"Short of full reform, we should at least end pensions for legislators and judges who tend to make decisions in their own best interests. We should also remove CTU from the equation. They add a layer of insulation between the employer and the employee, or the taxpayers and the teachers."

"It's time to stop the political blame game and get a bill passed for a referendum changing the government employee pension system to end unfunded liabilities and excessive financial burdens to taxpayers."

"Taxpayers are fed up. For a well-paid teacher to demand even more blood from the individual taxpayers who make less, have little job security, and struggle to save for their own retirement is incomprehensible and unacceptable. We are ready to respond with a strike of our own."

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