

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE
September 16, 2015

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Kankakee on the Brink With Gov. Pension Liabilities

CHICAGO—Taxpayers United of America (TUA) today released the results of their updated study of the top government pensioners of Kankakee County, Kankakee County government schools, Kankakee Community College, and Kankakee municipal.

“Well over 1,000 of the Kankakee area government pensioners receive multi-million dollar lifetime pension payouts,” stated Jim Tobin, TUA president. “The pensioners’ average personal investment is only about 5.5% of the lifetime payouts.”

“While taxpayers struggle to make their property tax payments, working well beyond retirement age, these government pensioners enjoy lavish, gold-plated retirements beginning, on average, at the age of 58.”

“This is not a retirement system or a safety net for ‘the poor public servants’ who have given their lives to public service. This is theft. These government pensions are immoral and unethical theft of taxpayers’ hard-earned money to be given to the political elite to do absolutely nothing.”

“Kankakee police and fire pensions are some of the most troubled funds in the country. With 27.7% and 18.8% funding ratios, respectively, and more retirees collecting benefits than employees paying into the fund, they are rapidly spiraling to insolvency.”

“There are now 12,154 Illinois government pensions over \$100,000 and 85,893 over \$50,000 annually! Those are staggering numbers considering the taxpayers who fund these pensions get an average Social Security pension of about \$15,000 a year.”

“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. I want more of your money. I want more of your wealth. I want more of your property.’ That is the reality of demanding more lavish government pensions. If you are a government employee, your neighbor is your employer,” challenged Tobin.

“Retired Pembroke CCSD 259 government employee, **Barbara J. Howery** enjoys an annual taxpayer funded pension of **\$151,441**. Over a normal lifetime, she will get about ***\$4.4 million in pension payments***. Her personal investment in this rich pension is about **5.3%, or \$234,403.**”

“**Larry Huffman** retired from Kankakee Community College at only 54 years of age and his current annual pension is **\$134,960**. He will collect about ***\$4.4 million while he only put in \$157,199 of his own money***, slightly more than one year’s pension payout. That’s a **3.6%** investment in his own multi-million dollar retirement payout!”

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- [Kankakee County Government Retirees](#)
- [Kankakee Community College Retirees](#)
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- [Kankakee Police Retirees](#)

“Although we did not support or endorse SB 1 as any kind of pension reform, as it did more harm than good, the unanimous ruling of the Illinois Supreme Court clearly illustrates the limited options available to solve the pension crisis...and the answers are not tax increases!”

“A constitutional amendment that is fair to taxpayers, as well as government employees, must be approved next year in 2016. In the meantime, if the Illinois General Assembly increased individual government employee contributions to their own gold-plated pensions by 10 percentage points, it would save taxpayers about \$150 billion over the next 35 years, or about \$4.3 billion a year, and save the State of Illinois from financial ruin. If nothing else, the Illinois General Assembly must pass legislation that permits local governments and taxing districts to file for Chapter 9.”

“Taxpayers must pursue these three paths forward to avoid disastrously higher taxes in the immediate future.”

“Rather than finding ways to perpetuate this horrible system that places copious amounts of cash in the hands of bureaucratic hacks, rank and file union members should be calling for the complete reform and conversion to 401(k)-style funds that places employees in control of their own futures. The union and political bosses must know that they just can’t tax their way out of this problem.”

“The choice is clear: without sweeping, meaningful pension reform, residents of Kankakee and nearly every other city in Illinois will have to choose between fully funding the pension systems to pay for the services provided in the past, or pay for the services we need today.”

“With Kankakee being rated the 6th most dangerous city in the state, we need to continue to provide services to the taxpayers living here now and ensure that their tax dollars aren’t squandered on propping up the unsustainable government pension system,” concluded Tobin.

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