TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE January 6, 2016

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Turnaround Can't Come too Soon for Lake County Taxpayers

Chicago, IL—Taxpayers United of America (TUA) today released the results of their study of the government pensions for Lincolnshire, Deerfield, Highland Park, and local government schools.

"Nearly one third of the teachers retired from these government schools are getting annual pensions over \$100,000!" said Jim Tobin, founder and president of TUA. "85% of these retirees will collect more than \$1,000,000 in lifetime pension payments and their average personal investment in their own gold-plated pension is a mere 5.5%."

"Some government school boards have absolutely no regard for the taxpayers they are supposed to serve. Not only are we forced to fund these outrageous pensions, now Highland Park wants taxpayers to approve a \$198 million property tax increase referendum to build a new campus 'for the children,' which really means that it's a new fortress for government bureaucrats."

"At least the Lincolnshire Village Board showed political courage and regard for their constituents by passing an ordinance that prohibits local employers from collecting union dues through payroll deductions, effectively making it a 'right to work' municipality. They will likely face lawsuits over this ordinance, but then the union thugs can't stand to give people the freedom to choose whether they join a union or not."

"House Speaker Michael Madigan is strongly opposed to Right to Work freedom, but then he and his policies have brought us the financial crisis Illinois now faces. This is all largely due to his cronyism with unions, as demonstrated by his decades long support of the government pension system which he was instrumental in codifying into law," said Tobin.

"The government pensions are unsustainable. Illinoisans are enduring cuts to services, the defunding of programs, and having their earnings confiscated. Tax dollars continue to be diverted from services required by today's taxpayers into the pension funds for government employees, whose services were rendered long ago," said Tobin. "Unfortunately, with Illinois having entered its seventh month without a budget and an enduring financial crisis, taxpayers regretfully see no relief in sight from Springfield."

"Our study of Lincolnshire, Deerfield, and Highland Park government teacher pensions, in particular, clearly illustrates the inherent problems with the current defined benefit pension systems in Illinois," said Tobin. "Not only do they collect massive amounts of taxpayer money under the guise of a pension they 'earned,' they also retire, on average, at the age of 59. Many of us who fund these pensions will have to work long past 65 to afford our own retirement and most of our retirements won't compare to the largesse enjoyed by so many government retirees."

"The problem isn't limited to teachers though. The data clearly show that municipal and park district employees enjoy the same bloated pensions as the teachers," added Tobin.

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"Local governments are continuously seeking to raise property taxes - nearly 80% of local taxes go to fund salaries and benefits of government employees."

"Retired Lincolnshire-Prairie View 103 government employee, Larry K. Fleming enjoys an annual taxpayer funded pension of \$258,163. Over a normal lifetime, he will get about \$11.2 million in pension payments. His personal investment in this rich payout is about 3.4% or \$378,683."

"Robert D. Franz retired from the Deerfield municipal government and his current annual pension is \$218,795. He will collect about \$6 million while he only put in \$160,009 of his own money, slightly more than one year's pension payout. That's a 3% investment in his own multi-million dollar retirement payout!"

"Highland Park's Park District retiree, Ralph J. Volpe collects a comfortable annual pension of \$161,077. Retiring at the ripe old age of 58, he will receive about \$4.9 million in lifetime pension payments. His personal investment in his own retirement? About 2% or \$120,746!"

Click to view pensions for:

- Lincolnshire Municipal Government Retirees
- Deerfield Municipal Government Retirees
- Highland Park Municipal Government Retirees
- Lincolnshire Police and Fire Retirees
- <u>Deerfield Police Retirees</u>
- Highland Park Police Retirees
- Highland Park Fire Retirees
- Lincolnshire, Deerfield, and Highland Park Government School Retirees

"The choice is clear: without sweeping, meaningful pension reform, taxpayers throughout Illinois will have to choose between fully funding the pension systems to pay for past services rendered, or pay for the services we need today," concluded Tobin.

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