

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE
October 1, 2014

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836 DuPage County Government Teacher Pensions in the top 6.6% National Income Level

Chicago—Taxpayers United of America (TUA) today released the results of a new study of the pensioners of Naperville municipal, Naperville Police and Firefighters, and DuPage County government teacher pensions.

“836 of the DuPage County government teacher pensions are over \$100,000 which places them in the top 6.6% income level nationally,” stated Rae Ann McNeilly, executive director of TUA. “This is not what they are getting paid to educate our youth, but what they get paid to do absolutely nothing.”

“The average retirement age for these \$100,000 pensioners is only 57. Not only does that exceed the area’s average **household** income of \$73,000, but the average Social Security pension is only about \$15,000 and in most cases, you must wait until you are 67 to collect full benefits.”

“Although ill-conceived from the beginning, government pensions were never supposed to make multi-millionaires out of retired ‘civil-servants’.”

“The Illinois 5 state pension funds are critically underfunded. Conservative estimates put that unfunded liability at about \$187 billion. These do not include the pensions for local police and fire. Naperville police and fire pension funds are only about 62% and 67%, respectively, funded. That means about \$700 for every man, woman, and child residing in Naperville for the police and fire unfunded liabilities alone. Combined with the state pension liabilities, that’s about \$15,200 of liability for every man, woman, and child in the city.”

“The burden on taxpayers for these unfunded liabilities is unconscionable. While those who stand to receive millions in taxpayer subsidized pension payments argue that they ‘earned their pensions and are entitled to them’, so too are the taxpayers entitled to keep their homes which they worked all of their lives to purchase. But those very homes will be taken away if the property taxes that fund these lavish pensions are not paid. 80% of property taxes go to fund salaries and benefits of government employees.”

“It has never been clearer that the job-killing policies of raising taxes to prop up the gold-plated government pensions, and the union votes that follow, are more important to these government bureaucrats than the future of Illinois itself.”

“Between the state pension funds and the local police and firefighter pension funds, taxpayers are being taxed to death despite the fact that it is mathematically impossible to tax our way out of this problem.”

“It is past time to bring government pay and benefits in line with private sector compensation.”

“How did we get to such mind boggling pension liabilities? Retired Community Unit SD 200 employee, Gary T. Catalani, is enjoying a cool \$284,674 annual pension that will accumulate to a stunning \$10,345,806 in estimated lifetime payouts because he was able to retire at the ripe old age of 56. His personal contribution to that payout was only a little more than \$289,000, or 2.8% of his estimated lifetime payout.”

“Then there is the infamous double-dipper, Robert Marshall who retired from the police force with a comfortable annual pension of \$104,129 which will accumulate to about \$4,035,726 in estimated lifetime payments. Apparently, when he ‘retired’ at the age of 54 he wasn’t quite all worked out because he was rehired as the Naperville police chief and draws an additional salary of about \$155,000 per year. He is drawing from taxpayers about \$259,000 a year.....while he builds a second taxpayer funded pension!”

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“These are shocking amounts for taxpayers to be on the hook. And while these represent the highest pensions, it does not diminish the fact that every Naperville taxpayer pays about four times more toward the city government pensions than the very government employees who will collect.”

“Illinois’ government employee pensions are in dire trouble with no end in sight. Government employees, like the vast majority of taxpayers should save for their own retirement. Taxpayers simply can’t afford to pay so many, so much, to do absolutely nothing and retirees can’t afford the inaction of Illinois lawmakers who are afraid to alienate the special-interest money that keeps them in office.”

“I have analyzed pension of government employees in 19 states and have personally visited 17 of those states to disclose the government pension largesse across the country and these Naperville and DuPage County pensions are some of the highest I have encountered. And everyone knows, or should know, that Illinois has the most friable pension systems in the entire country. As a direct result of the government pension crisis, Illinois also has the worst credit rating. Desperate politicians at every level are exacerbating the problems by raising taxes and forcing productive taxpayers, and the jobs they create, out of the state.”

“TUA supports complete government pension reform that would place all new hires into retirement savings accounts like 401(k)s, increasing existing employees’ contributions to their own pension, raising the retirement age to 67 for full benefits, and increasing retiree and employee contribution to their own healthcare to 50% of the premium.”

“If it takes a Constitutional Amendment to implement these changes, then let’s get it on the ballot at the next opportunity. It’s time the union bosses and government bureaucrats provide truthful options and education to the rank and file, of the crisis state of Illinois’ pension systems.”

“If they knew the truth, members would be the first in line to support pension reform. If they knew just how tenuous their own pensions are, they would be the cheerleaders of reform.”

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