TUA NEWS RELEASE

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FOR IMMEDIATE RELEASE
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Government Pensions Drive Peoria Property Taxes Through the Roof

PEORIA—Taxpayers United of America (TUA) today released the results of a new pension study of the pensioners of Peoria municipal and county government, Peoria County government schools, and Illinois Central College.

"Illinois leaders, Gov. Patrick Quinn (D), Michael Madigan (D), and John Cullerton (D), continue to fail in their duty to taxpayers in Peoria," stated Jim Tobin, president of TUA. "Despite the so called pension reforms passed last year, Illinois' government pension liabilities have grown to $187 billion."

"St. Sen. David Koehler (D-46 Peoria) and Rep. Jehan A. Gordon-Booth (D-96) along with Quinn, Madigan, and Cullerton, have been named among Illinois' Most Notorious Tax Villains for their support of increasing the state income tax on as many as 85% of Peoria taxpayers through a graduated income tax."

"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 Tax Villains than the future of Illinois itself."

"The proposed graduated state income tax is nothing more than a money grab for the government bureaucrats who would rather take every last penny of taxpayer income for their own enrichment."

"Peoria has one of the highest unemployment rates at 10.1% and the second highest property taxes of comparable cities in the midwest. More than half of the backbreaking property tax bills go to the government schools, but what is Peoria getting for its money? Eight low-performing schools."

"What does $187 billion in unfunded pension liability look like to Peoria residents? Retired Peoria County employee, Kevin W. Lyons, is enjoying a cool $147,129 annual pension that will accumulate to an amazing $6,302,797 in estimated lifetime payouts because he was able to retire at the ripe old age of 55. His personal contribution to that payout was only a little more than $200,000, or 3.2%."

Francis H. Hinton, II retired from Peoria SD 150. His estimated lifetime payout is a stunning $4,928,048 based on a cushy annual payment of $182,085."

"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 Peoria household owes about $4,000 to fund the pensions alone. Peoria Taxpayers pay 4 times more toward the city government pensions than the government employees who will be paid not to work for more years than they are actually employed!"

"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."

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"Without sweeping and immediate reform, Illinois' pension system will collapse. We need to fire Quinn, Madigan, Cullerton, Koehler, and every one of the Tax Villains who support a graduated income tax or any other tax increase intended to prop up the failed government pension system rather than muster the political courage to end unfunded pension liabilities forever."

"Pension reform must include raising retirement age to 67, increasing employee contributions by 10%, increasing healthcare contributions to 50% for employees and retirees, eliminating all COLA's, and replacing the defined benefit system with a defined contribution system for all new hires. It's mathematically impossible to tax your way out of this problem. Illinois has more than 10,000 retirees collecting more than $100,000 in annual pensions; in 2020, that will be over 25,000 six figure pensioners."

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