

# TUA NEWS RELEASE

## TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE  
October 12, 2015

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## Danville Government Pensions in Crisis

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

“Hundreds of Vermilion County 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 local taxpayers, whose average household income is about \$41,000, 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.”

“These ‘poor public servants,’ who collect more than the taxpayers who fund their salaries and pensions, enjoy nearly iron-clad job security and guaranteed increases in wages and retirement. These government employees are supported by a local economy where about 20% of constituents are below the poverty level. This is theft. This is immoral and unethical theft of taxpayers’ hard-earned money to be given to the political elite.”

“Danville fire and police pension funds are on the brink of ruin. With 25.1% and 35.23% funding ratios, respectively, and more retirees collecting benefits than employees paying into the fund, they are rapidly spiraling to insolvency.”

“There are now well over 12,154 Illinois government pensions over \$100,000 and 85,893 over \$50,000 annually! These numbers only pertain to the state pension funds and don’t include any of the hundreds of local police and fire pension funds! Those are staggering numbers, considering the taxpayers who fund these government 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,” challenged Tobin.

“Retired Danville CCSD 118 government employee, **David L. Fields** enjoys an annual taxpayer funded pension of **\$164,769**. Over a normal lifetime, he will get about **\$2.7 million in pension payments**. His personal investment in his rich pension is about **5.8% or \$155,718 – less than one year of the government pension benefits he collects!**”

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“**Phillip C. Morgan** retired from Danville Sanitation and his current annual pension is **\$126,339**. He will collect about **\$2.8 million, while he only put in \$115,618 of his own money**, less than one year’s pension payout. That’s a 4% investment in his own multi-million dollar retirement payout!”

Click to view pensions for:

- [Danville Municipal Government Retirees](#)
- [Vermilion County Government Retirees](#)
- [Danville Community College Retirees](#)
- [Vermilion County Government School Retirees](#)
- [Danville Police Retirees](#)
- [Danville Fire 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 to address the government pension crisis in Illinois. 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 all else fails, there is always the option of moving forward with legislation to begin the process of allowing municipalities and government schools 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 government pensioners should be calling for the complete reform and conversion to 401(k) style funds that place employees in control of their own futures. How many times will we trust politicians to do the right thing with the money collected for pensions and how many citizen groups will ‘discover’ that you just can’t tax your way out of this problem?”

“The choice is clear: without sweeping, meaningful pension reform, residents of Danville and nearly every other city in 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).