

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE
July 12, 2016

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Government Pensions Gobbling Up Tax Dollars in Henry County

Geneseo, IL – Taxpayers United of America (TUA) has released its most recent government pension study exposing individual pensions for Henry County government retirees, as well as Geneseo and Kewanee municipal, local school, and police retirees.

“There are more than 240 retired government teachers in Henry County collecting pensions that will accrue to seven-figure estimated lifetime payouts. Unlike the private sector, these government school retirees will become multimillionaires by not working and retiring on average at 57,” said Jim Tobin, President of Taxpayers United of America (TUA).

Across the five state pension funds and the Illinois Municipal Retirement Fund (IMRF), there are more than 15,661 government pensioners collecting six-figure annual pensions and more than 92,386 retirees collecting over \$50,000 annually.

The median household income across Henry County is only [\\$52,518](#) and the poverty rate is 11.3%.

“On average, these government pensioners will have contributed only about 9.8% to their own lifetime retirement payout. Taxpayers are on the hook for every penny of any shortfall in pension funding, whether funding the system through state income taxes or property taxes for IMRF, and the last decade has been disastrous. Forcing taxpayers to pay such a heavy portion of someone else’s retirement is criminal,” said Tobin.

“In the private sector, employees are forced to pay into Social Security for every dollar they earn, receiving an average annual pension of only \$16,000 from Uncle Sam! That total pales in comparison to the amount of tax dollars siphoned away by government retirees every year.”

“More than five hundred Henry County government retirees are former IMRF employees in a county of barely fifty thousand residents. This should serve as a warning to taxpayers who are concerned about their rising property taxes, as cities like Geneseo and Kewanee in Henry County are forced by law to raise property taxes without a referendum to fund IMRF pensions,” said Tobin. “It’s legal plunder of hardworking taxpayers for the benefit of the political class.”

“**Jack B. Schlindwein**, who retired in 2013 at age 54 from Geneseo CUSD 228, is set to receive the highest estimated lifetime pension payout in this study. His current annual pension is **\$116,882**, and he contributed a total of **\$168,380** to his own pension, easily recouping his total contributions within two years of retirement. He has already collected **\$302,595**. His taxpayer-funded pension payout will accumulate to more than **\$5.3 million!** **And his personal investment in that payout is a mere 3.2%.**”

“**Harold E. Ford** also retired from Geneseo CUSD 228, but in 2003, and at the age of 55. He currently receives the largest annual pension in the study, collecting **\$140,577** a year in retirement. The total contributions made to his own pension while employed, **\$138,952**, were less than what he collects during a single year of retirement. His annual pension payments, with compounded annual cost of living adjustments, will accumulate to more than **\$4.4 million!** **His personal investment was only about 3.1%.**”

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Click to view the complete list of the following:

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- [Geneseo Police retirees](#)
- [Geneseo Government School retirees](#)
- [Kewanee Municipal Government retirees](#)
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- [Kewanee School retirees](#)
- [Henry County Government Retirees](#)

“The financial situation in Illinois is dire. Concerned residents and taxpayers must demand reforms from their local politicians and state legislators. Resolving the crisis is possible, but it won’t be an easy road, considering how many current and former government employees are entrenched in the system,” said Tobin.

“Transitioning new hires to 401(k)-style defined contribution pension plans would be a good start to halting the growth of the problem. As for the current unfunded liabilities, allowing municipalities, school districts, and other taxing districts to reorganize through Chapter 9 bankruptcy, or pursuing federal legislation to preempt the Illinois Constitution’s pension-protection clause, are both becoming very real possibilities if systemic reforms aren’t pursued soon,” said Tobin.

TUA’s most recent [10th Annual Illinois State Pensions Report](#) contains additional data concerning the state’s government pension crisis and elaborates on further solutions to this long-term problem.