

TUA NEWS RELEASE

Taxpayers United of America

205 W. Randolph • Suite 1305 • Chicago, IL 60606

• www.taxpayersunited.org • E-mail: info@taxpayersunited.org

FOR IMMEDIATE RELEASE
September 25, 2019

Contact: Jim Tobin (312) 427-5128
(773) 354-2076

Peoria Property Tax Squeeze: Pay More to Fund Gov. Pensions

Peoria, IL – Taxpayer Education Foundation (TEF) today released its updated study on Peoria municipal and county government pensions, including the top 200 pensions in the Teachers Retirement System (TRS), Illinois Municipal Retirement Fund (IMRF), and the State University Retirement System (SURS). TUA issued the following statement based on the TEF pension study:

“Peoria City bureaucrats showed their contempt for taxpayers by finding creative ways to increase property taxes,” said Jim Tobin, TUA president. “Peoria now has a ‘public pension safety fee.’ Every little shed on homeowners’ property now costs \$50 a year. And if you have a building larger than 5,000 square feet, you must pay an additional \$300 a year. This is on top of the already high 2.5% effective property tax rate on their homes.”

“Of this property tax increase, 100% of the revenue, estimated at \$2.2 million the first year, is earmarked for IMRF pensions. This ‘fee’ will increase regularly now that it’s in place.”

“The IMRF pension fund, which gives lavish, gold-plated pension benefits to retired municipal employees, is funded by property taxes. \$903 million in property taxes have been shoveled into this fund to keep it afloat.”

“The IMRF pension fund, like the other government pension funds, is a Pyramid Scheme that cannot be sustained as more and more people leave the Peoria area for lower tax communities. Peoria has already eliminated 22 firefighter positions and 16 police positions.”

“Peoria Mayor Jim Ardis recently stated that over 95% of all property taxes are poured into the city’s local pension funds.”

“The entire local and statewide pension system in Illinois is unsustainable. The other five statewide pension funds are funded by the state income tax. Democrat Governor Jay Robert ‘J. B.’ Pritzker and his tax-raising cronies want to stick it to middle class taxpayers by increasing the income tax under the guise of a ‘more fair’ graduated income tax, so they can make it through the next election cycle. When the state goes under, they will be enjoying their retirements in Arizona or Florida.”

“Middle-class Peoria taxpayers would be decimated by the Pritzker income-tax hike if it passes. There is nothing fair about his ‘fair tax’ that will, by design, siphon even more wealth out of the pockets of the middle-class. Pritzker’s tax increases won’t stop there as we’ve seen with the gargantuan gasoline tax increase.”

“When you look at what the individual government retirees are actually collecting in taxpayer funded pensions, you can get a better idea of why this theft of taxpayer wealth is so egregious. Keep in mind that the average taxpayer

will collect only about \$17,500 a year from Social Security, and that most IMRF pensioners are also eligible for a Social Security pension.”

Francis Hinton retired from Peoria SD 150. His current annual TRS pension is \$ 217,419. His estimated lifetime payout is a lucrative \$4,809,603.

Kevin W. Lyons retired from Peoria County at the age of 55. His current IMRF pension is \$147,760 and will accumulate to about \$3,961,654 over a normal lifetime. Kevin is also eligible for a social security pension.

Illinois Central College retiree, Thomas Thomas collects \$225,070 in annual pension payments. His payments into SURS total \$148,054. He will collect, over a normal lifetime, \$4,895,542.

“All Illinois government new hires should be placed in a 401(k) style retirement savings account, beginning immediately, and the retirement age should be increased to 65. These measures would at least stop the bleeding until comprehensive pension reform can be enacted.”