

NEWS CLIP

IRSI Response to The Southern

JULY 16, 2010

To the Editor:

Your recent article, **“Police, Fire Pension Swamping Cities”** was extremely compelling, but I couldn’t help but notice something was missing. Rob Crow’s piece on the rising costs of municipal employee pensions omitted crucial information that would interest many taxpayers. **Municipalities rejected an opportunity to give taxpayers an immediate 10% property tax cut.**

Crow reported that *“under proposed legislation, parts of which are supported by Carbondale Mayor Brad Cole and the Illinois Municipal League, several changes would be made to the police and fire [pension] systems.”*

Under HB 5873, those changes would have raised the retirement age, eliminated scenarios where final day promotions boosted pensions, and lowered the maximum pension final earning rate by 3%. **These hotly contested changes were even agreed upon by police and fire groups, who were also dealing with heartbreaking layoffs across the state.**

But after several amendatory changes, municipality representatives were the ones who walked away from the bargaining table, essentially killing pension reform for public safety personnel. **Why did they walk away? Ironically, HB 5873 required municipalities to do something they have been avoiding for decades - paying their full employer contribution to public safety retirement funds – thereby reducing unfunded liabilities and providing SIGNIFICANT property tax relief to taxpayers.** Aside from balking at the idea of paying their full employer contributions, municipalities were terrified of losing desperately needed state funds - a consequence of the legislation if police and fire retirement funds continued to be deliberately underfunded.

While reading about the budgetary woes of municipalities is certainly concerning, it is not nearly as alarming as having groups like the Illinois Municipal League walk away from meaningful legislation. The IML and its supporters are hiding behind documents when they had an opportunity to solve their own pension crisis! That is the true story.

Bukola Bello

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