

**** Alderman ****
Michele Smith
Chicago's 43rd Ward



It's Time to Fix the Problem with Pensions

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Important Property Tax Info.

Fall Registration Now Open
for Park Programs

Webster Closed 8/23-8/24

Important Property Tax Appeal Dates

43rd Ward Residents who live in Lakeview Township (north of Fullerton Ave.) can now file an appeal of their property tax assessment **between August 20 and September 17, 2012.**

Commissioner Gainer will host two workshops for Lakeview Township homeowners:

Wednesday, August 29
19th District Police
Station

850 W. Addison
6:30pm-8:00pm

Thursday, September 13
the Uptown Public Library
929 W. Buena
6:30pm-8:00pm

In addition, Commissioner Gainer's office is holding satellite office hours at our office to answer any questions you may have.

43rd Ward Office

Dear Friends,

Over the course of several upcoming newsletters, I'll be talking about the issues surrounding public pensions. Today, I'll give some basic background and explain why I introduced a resolution to City Council calling for hearings on pension reform.

Part I - It Is What It Is

There are six separate pension benefits and funds for different City employees - Municipal employees, Laborers, Police, Fire, Teachers and Park District employees. None of these employees get Social Security. Today, there are 71,850 retired employees and beneficiaries, and 84,400 current active employees. The average retiree pension for municipal employees is \$41,400.

Public employees pay an average of 8.81% of their pay towards their pensions, which is higher than Social Security contributions of private sector employees. (Teachers contribute less).

Taxpayers (the employers) pay 12.28% of the total employee compensation of the City per year to pay for pensions. (This is instead of the "employer portion" of Social Security, which is 6.2%, plus some amount equivalent to a private pension plan).

This year the City was required to contribute \$476 million to the pension plans, of which \$349 million was paid from the City portion of your property taxes. (All the rest of your property tax dollars went to pay the City's debt service, but that's a story for another day). Another \$215 million of your property taxes went to pay Park District and Education pensions. **However, the plans**

2523 N. Halsted
Friday, September 7
2:00 pm - 6:00 pm

If you have additional questions, you can visit www.BridgetGainer.com, call 312-603-4210 or e-mail Info@BridgetGainer.com.

Sign Up for Fall Programs in the Park

Online registration for Fall programs in the parks is now open. A full list of fall programs, the fall registration checklist and more information can all be found online. E-mail play@chicagoparkdistrict.com or call 312.742.7529 with any additional questions.

Street Closure on Webster

Due to the filming of a TV show, Webster, from Sheffield to Bissell, will be closed from 6am on Thursday, August 23, to 6am on Friday, August 24.

The following streets will also have no parking from 3pm on Thursday, August 23, to 6am on Friday, August 24:

Both sides of Webster, from Kenmore to Sheffield

Both sides of Sheffield, from 2130 to 2200 N Sheffield

Both sides of Kenmore, from Belden to Webster

paid out over \$700 million in benefits this year alone, which means we are falling behind. Today, on average, the six pension funds are only 38% funded.

The professionals who evaluate these funds are expressing alarm about the problem. The Municipal Employees' pension fund reported that its assets will be depleted within 15 to 20 years. **This means, that unless something changes, people who are currently or just about to retire will lose their benefits.** The actuaries of the Laborers' pension fund reported on April 5, 2012 that their assets will be depleted within 20 to 25 years. The actuaries of the Teachers' and Policemen's pension funds reported that to fully fund those plans, taxpayer contributions would have to more than double and the actuaries of the Firemen's pension fund reported that to fully fund the plan, taxpayer contributions would have to triple.

If I was about to retire and relying on these pensions, I'd be worried. If pensions were funded at this magnitude in the private sector, it would be a violation of federal law.

That's why I introduced a [resolution](#) calling for a hearing in City Council before Alderman Pat O'Conner, who chairs the Workforce Development and Audit Committee. I'm a member of that committee, and it is high time that the taxpayers get the full story.

More in a future newsletter.

Sincerely,



43rd Ward Alderman Michele Smith



43rd Ward Office
2523 N. Halsted
www.ward43.org

Office Hours:
Monday
9 a.m.-7 p.m.
Tuesday-Thursday
9 a.m.-6 p.m.
Friday
9 a.m.-12 p.m. & 2 p.m.-6 p.m.

Contact us:
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