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**Ryan to make more when he’s retired; State pension lets governor collect $30,000 more a year than his current pay**

By Tim Novak and Dave McKinney

Staff reporters

Gov. Ryan's state pension will be much greater than his salary of $150,691.

The one-term governor will leave office in January 2003 with an annual pension of $128,087 that will soar to $178,041 a year later. And Ryan's pension will increase 3 percent every year afterward.

It will add up to the richest pension of any retired Illinois governor, and it's all because of a unique quirk in the General Assembly Retirement System--the most generous taxpayer-funded government pension plan in Illinois.

On top of his pension, Ryan can freely spend any money left in his campaign fund, which had a balance of $3.1 million June 30. And the governor is still raising money, including a fund-raiser set for Sept. 17.

Ryan, 67, refused to discuss his retirement finances.

"The governor isn't ready to talk about his pension," Ryan spokesman Dennis Culloton said.

"Nobody gets into public service because the pay is great," Culloton said. "You and your family make great sacrifices in public life. He has and he will in the next year and a half continue to give every ounce of his energy to being governor."

Unlike Ryan, most Americans never will get pensions that are greater than their salaries, said John Challenger, CEO of Challenger, Gray & Christmas, a career placement firm in Chicago.

"It's very rare," Challenger said. "It is unusual to see someone make more from their pension benefits than they did while they were working."

Ryan's "awfully sweet deal . . . raises some important questions on what can be done to readjust" the pensions legislators give themselves and the state's top officials, said Terrance Norton, executive director of the Better Government Association.

"They should be no better off than the rest of us who are struggling to live on a reduced income," Norton said. "Most of us are going to have to worry, 'Do we have to work at McDonald's part-time to make ends meet?"'

Only one-third of retired Americans age 65 and older get a pension, which averages between $10,000 and $12,500 annually, according to a study this year by the American Association of Retired Persons.

Ryan's deal also is better than those given to governors in neighboring states. In Missouri, for example, retired state officials can get no more than 50 percent of their salary, while in Wisconsin, the pension scale tops out at 70 percent.

Ryan is a member of the General Assembly Retirement System, the pension plan for current and former members of the General Assembly, including Mayor Daley, and statewide elected officials. Those who serve 20 years get a maximum pension equal to 85 percent of their final governmental salary. They can start collecting when they are 55.

Anyone who is 55 and has 20 years of service gets an extra 3 percent for each year they continue to work for the government, based on a law legislators passed in 1989 to sweeten pensions for longtime members such as Ryan and Senate President James "Pate" Philip (R-Wood Dale).

When he retires, Ryan will have 13 years of extra credits that will cause his pension to jump 39 percent, from $128,087 to $178,041. The only catch is that he has to be retired for one year before he gets that $50,000 increase. Then he will get a 3 percent cost-of-living increase each year.

Ryan's pension will surpass those paid to former Governors Jim Edgar and James R. Thompson, whose salaries were much lower. They also didn't have more than 20 years of service in the pension plan.

Edgar's final salary was $132,867. He began collecting a $112,937 annual pension last month when he turned 55. He will start getting 3 percent cost-of-living increases on his 60th birthday. Edgar also is paid to lecture at the University of Illinois.

Thompson's final salary was $93,265. His annual pension is $97,500, thanks to cost-of-living increases. Thompson is a partner at Winston & Strawn, a Chicago law firm.

In addition to his term as governor, Ryan has served as a state representative, lieutenant governor and secretary of state.