



November 4, 2010

Dear President Cullerton:

The Civic Federation urges you to vote against Senate Bill 3514, a bill that would authorize the State to borrow to make its FY2011 contribution to the five State retirement systems.

The Civic Federation **opposes** borrowing to pay for pensions because debt is not a sustainable funding source and adds to the State's mounting debt service burden, increasing future pressures on the operating budget. We are also concerned that the structure of the bonds as proposed will "back-end-load" the repayment schedule, deferring even more costs farther into the future. The State must make room in its annual operating budget to pay its pension contributions.

Please vote against SB3514.

Sincerely,

Laurence Msall  
President  
The Civic Federation