

CONTRACT WATCHDOG

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Central States Teamcare and Pension Trustee Resigns over allegations of Fraud and Abuse

December 15, 2015 Trustee of troubled Teamsters funds, Bill Lichtenwald has resigned as trustee of the Central States Pension Fund.

The Teamsters official who oversaw lavish spending on salaries, parties and golf equipment is stepping down from his oversight of an \$18 billion pension fund that is on the verge of chopping retirees' benefits substantially.

William D. Lichtenwald was named in a federal Independent Review Board report in September that found the conference devoted 70 percent of state union dues on items that didn't clearly benefit members – including salaries, parties and golf clubs.

The investigative panel, which included a former FBI and CIA director as well as a former U.S. attorney general, concluded that inflated salaries, questionable spending and a lack of basic financial controls contributed to the problem. “The one function specified in its bylaws for the conference to do, has not been performed, if ever, for decades,” the report concluded. The conference's "officers do not perform their duties," it stated.

Lichtenwald's position as trustee for the Illinois-based Central States Pension Fund compromised the integrity of the fund, which is currently in financial trouble and set to drastically cut retiree benefits. The fund now has \$18 billion in assets and is currently \$17.5 billion short of its debts, regulators say. Internal critics say the pension fund needed better day-to-day management. "This shows you what kind of people are handling this money”

The resignation comes just weeks after Lichtenwald visited the Teamsters union hall in Evidale, where he acknowledged to a group of about 200 retired and active Teamsters that he never read the rescue plan. He also acknowledged that \$6.1 million in union funds are being used to pay lobbyists to persuade lawmakers to vote for pension cuts.

These are the same people who are trustees of the Teamcare Plan

The Teamsters negotiators keep pushing Teamcare down the throats of UAL mechanics. It's clear there is no accountability or oversight of the Pension or Teamcare Funds.

When the teamsters union Teamcare monthly premiums increase and their Veba Retirement Accounts fail, you and your family will be in the same position as nearly a half a million other Teamster Retirees. We will have wasted tens of thousands of dollars in our hourly wages funding the teamsters appointed cronies lavish spending on salaries, parties and golf.

Hey Teamsters Hands off Our United Mechanics Health Care