

Trustee of troubled Teamsters fund resigns

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Bill Lichtenwald, president of the Ohio Conference of Teamsters has resigned as trustee of the Central States Pension Fund this week

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. Bill Lichtenwald, president of the Ohio Conference of Teamsters, has resigned as trustee of the Central States Pension Fund, according to multiple sources.

Lichtenwald's resignation, after eight months on the board, comes after he 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: review all the bargaining agreements entered into in the state, 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, said Butch Lewis, and retired former president of Local 100 Teamsters union. **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," Lewis told the Enquirer, adding that he was glad Lichtenwald resigned. He wondered if Lichtenwald would also resign as president of the Ohio Conference of Teamsters.

Central States is the largest multi-employer pension fund in the United States. Lichtenwald was one of eight trustees on the pension fund's board; the fund is headed by Executive Director Thomas C. Nyhan.

In September, Central States submitted a 10,000-page pension rescue plan to the Treasury Department, a plan based on decreasing benefits by 30 percent. **The actual impact on many of the roughly 410,000 retired Teamsters – 48,000 of whom are Ohioans – could be benefits cut in half.**

Tens of thousands of union members declined pay increases for decades to opt for higher pension benefits. The pension fund's rescue plan under the Multiemployer Pension Reform Act of 2014 goes into effect next July, dependent upon Congress' vote of approval.

The resignation comes just weeks after Lichtenwald visited the Teamsters union hall in Evendale, 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.** Lewis said that he is concerned about the views of Lichtenwald's replacement, who may be Gary Dunham, the secretary-treasurer of Cedar Rapids, Iowa, Local 238, according to a group called Teamsters for a Democratic Union.

"We don't want another crony who will vote to cut our pensions," Lewis said. **"I'm not saying I'm against the cuts,"** he said. **"I'm open-ended with everything – I'm going to keep an open mind."**