

COMMUNITIES IN CRISIS

More than half of Illinois cities get “F” grades for local pensions

Bellwood

2019 Grade: F

In 2003, Bellwood’s police, fire and municipal pension funds already faced a shortfall of **\$5.2 million**. That meant every Bellwood household, on average, was on the hook for **\$813** in future taxes just to eliminate that shortfall.

Bellwood began contributing more money – taxpayer dollars – to pensions in an attempt to make the plans healthier. Over the next 16 years, city contributions increasingly crowded out spending for public safety, roads and other core services.

	2003	2019	Change
City (taxpayer) contributions to pensions	\$0.35 million	\$3.56 million	Up 10.2X
Share of city general budget for pensions	2.2%	14.0%	Up 6.2X

Despite the ramp-up in city payments over those 16 years, Bellwood’s pension debts didn’t decrease. Instead, they jumped by 8.4 times!

By 2019, the shortfall in Bellwood’s police, fire and municipal pension funds totaled **\$44.3 million**. That means each Bellwood household, on average, is now on the hook for **\$7,113** in debt.

Everyone loses under Bellwood’s pension crisis:



Taxpayers are tapped out

Bellwood residents are paying more and more into a broken system. City taxpayers in 2019 contributed 10.2 times more to pensions than in 2003, yet city debts are 8.4 times larger.



Pension costs are devouring the city’s budget

Bellwood pension contributions have grown to consume 14.0% of the city’s budget, up from 2.2% in 2003. That’s crowded out spending on public safety, roads and other core services.



Bellwood worker retirement security is collapsing

The health of Bellwood’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 89.0% of the money they needed. By 2019, that had dropped to just 60.9%.



Bellwood’s crisis will only get worse

Bellwood has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.77 active workers for every pensioner. By 2019, there were 0.80 active workers per pensioner.

2019 GRADE



2003 GRADE



Bellwood receives an "F" grade for its local pension crisis

Local officials handcuffed by state pension mandates.

Wirepoints quantified the negative impact of local pensions by examining the finances of Illinois' 175 largest cities from 2003 to 2019. The analysis was based on ten equally-weighted metrics. Cities were given an A through F grade based on a 100-point scale (10 points per metric).*

Bellwood received an "F" grade in 2019. The city's total score dropped from 82 in 2003 to 56 in 2019, a decline of 26 points.

Bellwood was one of 102 cities to receive an "F" grade in 2019.

175 Cities - Summary Scores			
Grade	Score	Number of cities	
		2003	2019
A	≥90	4	0
B	80-89	35	1
C	70-79	81	8
D	60-69	48	64
F	≤59	7	102

Bellwood Key Facts		
City demographics	2000	2019
Population	20,535	18,996
Households	6,449	6,221
Median household income	\$52,856	\$56,557
City budget	2003	2019
General revenues	\$15,517,744	\$25,529,326
Total revenues	\$27,714,146	\$54,605,829
Total property taxes	\$10,194,048	\$19,366,437
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$47,551,369	\$113,232,790
Total pension assets	\$42,309,758	\$68,980,568
Funded ratio	89.0%	60.9%
Total pension shortfall	\$5,241,613	\$44,252,222
Per household	\$813	\$7,113
Active public safety workers	76	63
Public safety pension beneficiaries	43	79
City pension contributions	2003	2019
City contributions	\$348,192	\$3,563,694
Per household	\$54	\$573
Percentage of city's general budget	2.2%	14.0%
Employees' contributions	\$587,222	\$718,635

Bellwood Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	67.1%	56.3%	6	5
2. Firefighter pension funded ratio	114.1%	58.6%	10	5
3. Municipal (IMRF) pension funded ratio	116.9%	95.5%	10	9
4. City pension debts per household as a percentage of median household income	1.5%	12.6%	9	4
5. City contributions per household as a percentage of median household income	0.10%	1.01%	9	5
6. City contributions as a percentage of total budget	1.3%	6.5%	10	5
7. Ratio of city contributions to employee contributions	0.59	4.96	10	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-70.1%	-0.4%	1	9
9. Asset-to-payout ratio (Police & Fire only)	21.2	11.6	9	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.77	0.80	8	4
Total score			82	56
Grade			B	F

*Wirepoints analyzed 175 of Illinois' largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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