

COMMUNITIES IN CRISIS

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

North Riverside

2019 Grade: F

In 2003, North Riverside’s police, fire and municipal pension funds already faced a shortfall of **\$11.8 million**. That meant every North Riverside household, on average, was on the hook for **\$4,016** in future taxes just to eliminate that shortfall.

North Riverside 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	\$0.47 million	\$3.16 million	Up 6.7X
Share of city general budget for pensions	5.8%	17.0%	Up 2.9X

Despite the ramp-up in city payments over those 16 years, North Riverside’s pension debts didn’t decrease. Instead, they jumped by 4.3 times!

By 2019, the shortfall in North Riverside’s police, fire and municipal pension funds totaled **\$50.4 million**. That means each North Riverside household, on average, is now on the hook for **\$18,768** in debt.

Everyone loses under North Riverside’s pension crisis:



Taxpayers are tapped out

North Riverside residents are paying more and more into a broken system. City taxpayers in 2019 contributed 6.7 times more to pensions than in 2003, yet city debts are 4.3 times larger.



Pension costs are devouring the city’s budget

North Riverside pension contributions have grown to consume 17.0% of the city’s budget, up from 5.8% in 2003. That’s crowded out spending on public safety, roads and other core services.



North Riverside worker retirement security is collapsing

The health of North Riverside’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 65.0% of the money they needed. By 2019, that had dropped to just 40.2%.



North Riverside’s crisis will only get worse

North Riverside has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.88 active workers for every pensioner. By 2019, there were 0.72 active workers per pensioner.

2019 GRADE



2003 GRADE



North Riverside 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).*

North Riverside received an “F” grade in 2019. The city’s total score dropped from 70 in 2003 to 33 in 2019, a decline of 37 points.

North Riverside 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

North Riverside Key Facts		
City demographics	2000	2019
Population	6,688	6,646
Households	2,928	2,685
Median household income	\$43,856	\$59,340
City budget	2003	2019
General revenues	\$8,076,224	\$18,566,596
Total revenues	\$13,025,558	\$31,157,681
Total property taxes	\$626,708	\$535,239
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$33,602,908	\$84,269,698
Total pension assets	\$21,843,225	\$33,877,875
Funded ratio	65.0%	40.2%
Total pension shortfall	\$11,759,683	\$50,391,823
Per household	\$4,016	\$18,768
Active public safety workers	49	39
Public safety pension beneficiaries	26	54
City pension contributions	2003	2019
City contributions	\$468,316	\$3,158,859
Per household	\$160	\$1,176
Percentage of city’s general budget	5.8%	17.0%
Employees’ contributions	\$354,908	\$440,195

North Riverside Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	56.9%	37.7%	5	3
2. Firefighter pension funded ratio	73.8%	33.0%	7	3
3. Municipal (IMRF) pension funded ratio	81.8%	82.5%	8	8
4. City pension debts per household as a percentage of median household income	9.2%	31.6%	6	1
5. City contributions per household as a percentage of median household income	0.36%	1.98%	8	1
6. City contributions as a percentage of total budget	3.6%	10.1%	8	1
7. Ratio of city contributions to employee contributions	1.32	7.18	9	1
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-83.3%	-8.3%	1	8
9. Asset-to-payout ratio (Police & Fire only)	24.4	7.4	9	4
10. Worker-to-beneficiary ratio (Police & Fire only)	1.88	0.72	9	3
Total score			70	33
Grade			C	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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