

COMMUNITIES IN CRISIS

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

Rolling Meadows

2019 Grade: F

In 2003, Rolling Meadows’s police, fire and municipal pension funds already faced a shortfall of **\$30.1 million**. That meant every Rolling Meadows household, on average, was on the hook for **\$3,334** in future taxes just to eliminate that shortfall.

Rolling Meadows 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	\$1.54 million	\$9.13 million	Up 5.9X
Share of city general budget for pensions	9.0%	27.0%	Up 3.0X

Despite the ramp-up in city payments over those 16 years, Rolling Meadows’s pension debts didn’t decrease. Instead, they jumped by 2.9 times!

By 2019, the shortfall in Rolling Meadows’s police, fire and municipal pension funds totaled **\$88.4 million**. That means each Rolling Meadows household, on average, is now on the hook for **\$10,155** in debt.

Everyone loses under Rolling Meadows’s pension crisis:



Taxpayers are tapped out

Rolling Meadows residents are paying more and more into a broken system. City taxpayers in 2019 contributed 5.9 times more to pensions than in 2003, yet city debts are 2.9 times larger.



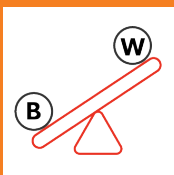
Pension costs are devouring the city’s budget

Rolling Meadows pension contributions have grown to consume 27.0% of the city’s budget, up from 9.0% in 2003. That’s crowded out spending on public safety, roads and other core services.



Rolling Meadows worker retirement security is collapsing

The health of Rolling Meadows’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 64.0% of the money they needed. By 2019, that had dropped to just 54.3%.



Rolling Meadows’s crisis will only get worse

Rolling Meadows has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.94 active workers for every pensioner. By 2019, there were 0.86 active workers per pensioner.

2019 GRADE

F

2003 GRADE

D

Rolling Meadows 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).*

Rolling Meadows received an "F" grade in 2019. The city's total score dropped from 66 in 2003 to 44 in 2019, a decline of 22 points.

Rolling Meadows 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

Rolling Meadows Key Facts		
City demographics	2000	2019
Population	24,604	23,219
Households	9,015	8,702
Median household income	\$59,535	\$74,134
City budget	2003	2019
General revenues	\$17,039,058	\$33,822,486
Total revenues	\$36,786,224	\$93,576,366
Total property taxes	\$9,141,014	\$22,496,098
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$83,567,043	\$193,511,103
Total pension assets	\$53,506,962	\$105,142,654
Funded ratio	64.0%	54.3%
Total pension shortfall	\$30,060,080	\$88,368,449
Per household	\$3,334	\$10,155
Active public safety workers	97	93
Public safety pension beneficiaries	50	108
City pension contributions	2003	2019
City contributions	\$1,541,455	\$9,128,345
Per household	\$171	\$1,049
Percentage of city's general budget	9.0%	27.0%
Employees' contributions	\$981,010	\$1,409,803

Rolling Meadows Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	55.6%	56.8%	5	5
2. Firefighter pension funded ratio	53.9%	47.7%	5	4
3. Municipal (IMRF) pension funded ratio	88.4%	66.2%	8	6
4. City pension debts per household as a percentage of median household income	5.6%	13.7%	7	3
5. City contributions per household as a percentage of median household income	0.29%	1.41%	8	2
6. City contributions as a percentage of total budget	4.2%	9.8%	7	2
7. Ratio of city contributions to employee contributions	1.57	6.47	8	2
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-57.5%	35.4%	1	10
9. Asset-to-payout ratio (Police & Fire only)	18.4	11.0	8	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.94	0.86	9	4
Total score			66	44
Grade			D	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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