

COMMUNITIES IN CRISIS

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

Wheeling

2019 Grade: D

In 2003, Wheeling’s police, fire and municipal pension funds already faced a shortfall of **\$19.6 million**. That meant every Wheeling household, on average, was on the hook for **\$1,481** in future taxes just to eliminate that shortfall.

Wheeling 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	\$0.82 million	\$6.78 million	Up 8.3X
Share of city general budget for pensions	5.1%	16.8%	Up 3.3X

Despite the ramp-up in city payments over those 16 years, Wheeling’s pension debts didn’t decrease. Instead, they jumped by 3.8 times!

By 2019, the shortfall in Wheeling’s police, fire and municipal pension funds totaled **\$74.5 million**. That means each Wheeling household, on average, is now on the hook for **\$5,161** in debt.

Everyone loses under Wheeling’s pension crisis:



Taxpayers are tapped out

Wheeling residents are paying more and more into a broken system. City taxpayers in 2019 contributed 8.3 times more to pensions than in 2003, yet city debts are 3.8 times larger.



Pension costs are devouring the city’s budget

Wheeling pension contributions have grown to consume 16.8% of the city’s budget, up from 5.1% in 2003. That’s crowded out spending on public safety, roads and other core services.



Wheeling worker retirement security is collapsing

The health of Wheeling’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 74.1% of the money they needed. By 2019, that had dropped to just 62.7%.



Wheeling’s crisis will only get worse

Wheeling has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.22 active workers for every pensioner. By 2019, there were 0.96 active workers per pensioner.

2019 GRADE



2003 GRADE



Wheeling receives a “D” 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).*

Wheeling received a “D” grade in 2019. The city’s total score dropped from 77 in 2003 to 62 in 2019, a decline of 15 points.

Wheeling was one of 64 cities to receive a “D” 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

Wheeling Key Facts		
City demographics	2000	2019
Population	34,496	38,499
Households	13,237	14,441
Median household income	\$55,491	\$68,615
City budget	2003	2019
General revenues	\$16,247,049	\$40,320,946
Total revenues	\$32,186,297	\$99,306,101
Total property taxes	\$11,419,529	\$34,486,158
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$75,782,325	\$199,961,100
Total pension assets	\$56,174,862	\$125,432,454
Funded ratio	74.1%	62.7%
Total pension shortfall	\$19,607,463	\$74,528,646
Per household	\$1,481	\$5,161
Active public safety workers	113	106
Public safety pension beneficiaries	51	110
City pension contributions	2003	2019
City contributions	\$822,093	\$6,783,065
Per household	\$62	\$470
Percentage of city’s general budget	5.1%	16.8%
Employees’ contributions	\$743,437	\$1,511,638

Wheeling Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	67.7%	63.0%	6	6
2. Firefighter pension funded ratio	73.4%	55.9%	7	5
3. Municipal (IMRF) pension funded ratio	87.5%	78.4%	8	7
4. City pension debts per household as a percentage of median household income	2.7%	7.5%	8	7
5. City contributions per household as a percentage of median household income	0.11%	0.68%	9	7
6. City contributions as a percentage of total budget	2.6%	6.8%	9	5
7. Ratio of city contributions to employee contributions	1.11	4.49	9	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-82.2%	6.0%	1	10
9. Asset-to-payout ratio (Police & Fire only)	34.0	14.2	10	7
10. Worker-to-beneficiary ratio (Police & Fire only)	2.22	0.96	10	4
Total score			77	62
Grade			C	D

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

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