

COMMUNITIES IN CRISIS

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

Broadview

2019 Grade: F

In 2003, Broadview’s police, fire and municipal pension funds already faced a shortfall of **\$14.6 million**. That meant every Broadview household, on average, was on the hook for **\$4,549** in future taxes just to eliminate that shortfall.

Broadview 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	\$0.83 million	\$2.90 million	Up 3.5X
Share of city general budget for pensions	12.1%	20.1%	Up 1.7X

Despite the ramp-up in city payments over those 16 years, Broadview’s pension debts didn’t decrease. Instead, they jumped by 2.6 times!

By 2019, the shortfall in Broadview’s police, fire and municipal pension funds totaled **\$38.5 million**. That means each Broadview household, on average, is now on the hook for **\$13,101** in debt.

Everyone loses under Broadview’s pension crisis:



Taxpayers are tapped out

Broadview residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.5 times more to pensions than in 2003, yet city debts are 2.6 times larger.



Pension costs are devouring the city’s budget

Broadview pension contributions have grown to consume 20.1% of the city’s budget, up from 12.1% in 2003. That’s crowded out spending on public safety, roads and other core services.



Broadview worker retirement security is collapsing

The health of Broadview’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 70.1% of the money they needed. By 2019, that had dropped to just 59.5%.



Broadview’s crisis will only get worse

Broadview has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.54 active workers for every pensioner. By 2019, there were 0.74 active workers per pensioner.

2019 GRADE



2003 GRADE



Broadview 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).*

Broadview received an "F" grade in 2019. The city's total score dropped from 65 in 2003 to 46 in 2019, a decline of 19 points.

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

Broadview Key Facts		
City demographics	2000	2019
Population	8,264	7,755
Households	3,220	2,942
Median household income	\$47,651	\$54,219
City budget	2003	2019
General revenues	\$6,892,442	\$14,377,625
Total revenues	\$14,355,018	\$27,621,247
Total property taxes	\$7,019,657	\$7,161,743
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$48,968,991	\$95,072,440
Total pension assets	\$34,322,749	\$56,530,730
Funded ratio	70.1%	59.5%
Total pension shortfall	\$14,646,242	\$38,541,710
Per household	\$4,549	\$13,101
Active public safety workers	71	57
Public safety pension beneficiaries	46	77
City pension contributions	2003	2019
City contributions	\$834,097	\$2,896,605
Per household	\$259	\$985
Percentage of city's general budget	12.1%	20.1%
Employees' contributions	\$502,801	\$596,959

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

Broadview Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	65.3%	62.8%	6	6
2. Firefighter pension funded ratio	67.2%	49.4%	6	4
3. Municipal (IMRF) pension funded ratio	103.6%	107.6%	10	10
4. City pension debts per household as a percentage of median household income	9.5%	24.2%	6	1
5. City contributions per household as a percentage of median household income	0.54%	1.82%	7	1
6. City contributions as a percentage of total budget	5.8%	10.5%	6	1
7. Ratio of city contributions to employee contributions	1.66	4.85	8	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-80.4%	1.1%	1	10
9. Asset-to-payout ratio (Police & Fire only)	17.6	10.9	8	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.54	0.74	7	3
Total score			65	46
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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