

COMMUNITIES IN CRISIS

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

Carpentersville

2019 Grade: D

In 2003, Carpentersville’s police, fire and municipal pension funds already faced a shortfall of **\$13.7 million**. That meant every Carpentersville household, on average, was on the hook for **\$1,582** in future taxes just to eliminate that shortfall.

Carpentersville 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	\$0.11 million	\$4.31 million	Up 39.2X
Share of city general budget for pensions	0.7%	13.0%	Up 19.2X

Despite the ramp-up in city payments over those 16 years, Carpentersville’s pension debts didn’t decrease. Instead, they jumped by 3.6 times!

By 2019, the shortfall in Carpentersville’s police, fire and municipal pension funds totaled **\$49.2 million**. That means each Carpentersville household, on average, is now on the hook for **\$4,590** in debt.

Everyone loses under Carpentersville’s pension crisis:



Taxpayers are tapped out

Carpentersville residents are paying more and more into a broken system. City taxpayers in 2019 contributed 39.2 times more to pensions than in 2003, yet city debts are 3.6 times larger.



Pension costs are devouring the city’s budget

Carpentersville pension contributions have grown to consume 13.0% of the city’s budget, up from 0.7% in 2003. That’s crowded out spending on public safety, roads and other core services.



Carpentersville worker retirement security is collapsing

The health of Carpentersville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 65.4% of the money they needed. By 2019, that had dropped to just 63.2%.



Carpentersville’s crisis will only get worse

Carpentersville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 3.17 active workers for every pensioner. By 2019, there were 1.20 active workers per pensioner.

2019 GRADE



2003 GRADE



Carpentersville 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).*

Carpentersville received a "D" grade in 2019. The city's total score dropped from 83 in 2003 to 63 in 2019, a decline of 20 points.

Carpentersville was one of 64 cities to receive a "D" grade in 2019.

Carpentersville Key Facts		
City demographics	2000	2019
Population	30,586	37,872
Households	8,681	10,722
Median household income	\$54,526	\$68,997
City budget	2003	2019
General revenues	\$15,906,089	\$33,261,878
Total revenues	\$24,410,099	\$71,035,472
Total property taxes	\$4,811,235	\$15,489,619
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$39,699,957	\$133,692,244
Total pension assets	\$25,967,406	\$84,482,259
Funded ratio	65.4%	63.2%
Total pension shortfall	\$13,732,551	\$49,209,985
Per household	\$1,582	\$4,590
Active public safety workers	92	96
Public safety pension beneficiaries	29	80
City pension contributions	2003	2019
City contributions	\$107,297	\$4,313,426
Per household	\$12	\$402
Percentage of city's general budget	0.7%	13.0%
Employees' contributions	\$670,026	\$1,115,279

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

Carpentersville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	50.5%	57.8%	5	5
2. Firefighter pension funded ratio	77.9%	68.6%	7	6
3. Municipal (IMRF) pension funded ratio	101.6%	78.3%	10	7
4. City pension debts per household as a percentage of median household income	2.9%	6.7%	8	7
5. City contributions per household as a percentage of median household income	0.02%	0.58%	10	7
6. City contributions as a percentage of total budget	0.4%	6.1%	10	5
7. Ratio of city contributions to employee contributions	0.16	3.87	10	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-27.4%	-11.1%	4	7
9. Asset-to-payout ratio (Police & Fire only)	20.4	16.4	9	8
10. Worker-to-beneficiary ratio (Police & Fire only)	3.17	1.20	10	6
Total score			83	63
Grade			B	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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