

COMMUNITIES IN CRISIS

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

Chicago Ridge

2019 Grade: F

In 2003, Chicago Ridge’s police, fire and municipal pension funds already faced a shortfall of **\$10.8 million**. That meant every Chicago Ridge household, on average, was on the hook for **\$1,908** in future taxes just to eliminate that shortfall.

Chicago Ridge 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	\$0.84 million	\$3.33 million	Up 4.0X
Share of city general budget for pensions	6.8%	16.9%	Up 2.5X

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

By 2019, the shortfall in Chicago Ridge’s police, fire and municipal pension funds totaled **\$31.2 million**. That means each Chicago Ridge household, on average, is now on the hook for **\$5,953** in debt.

Everyone loses under Chicago Ridge’s pension crisis:



Taxpayers are tapped out

Chicago Ridge residents are paying more and more into a broken system. City taxpayers in 2019 contributed 4.0 times more to pensions than in 2003, yet city debts are 2.9 times larger.



Pension costs are devouring the city’s budget

Chicago Ridge pension contributions have grown to consume 16.9% of the city’s budget, up from 6.8% in 2003. That’s crowded out spending on public safety, roads and other core services.



Chicago Ridge worker retirement security is collapsing

The health of Chicago Ridge’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 62.7% of the money they needed. By 2019, that had dropped to just 59.6%.



Chicago Ridge’s crisis will only get worse

Chicago Ridge has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.92 active workers for every pensioner. By 2019, there were 1.05 active workers per pensioner.

2019 GRADE



2003 GRADE



Chicago Ridge 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).*

Chicago Ridge received an "F" grade in 2019. The city's total score dropped from 68 in 2003 to 52 in 2019, a decline of 16 points.

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

Chicago Ridge Key Facts		
City demographics	2000	2019
Population	14,127	14,153
Households	5,655	5,237
Median household income	\$44,101	\$48,886
City budget	2003	2019
General revenues	\$12,377,472	\$19,754,011
Total revenues	\$18,813,601	\$36,093,789
Total property taxes	\$6,016,268	\$6,737,457
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$28,932,288	\$77,229,330
Total pension assets	\$18,143,643	\$46,053,153
Funded ratio	62.7%	59.6%
Total pension shortfall	\$10,788,645	\$31,176,177
Per household	\$1,908	\$5,953
Active public safety workers	48	45
Public safety pension beneficiaries	25	43
City pension contributions	2003	2019
City contributions	\$843,434	\$3,334,091
Per household	\$149	\$637
Percentage of city's general budget	6.8%	16.9%
Employees' contributions	\$366,858	\$533,933

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

Chicago Ridge Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	55.5%	54.9%	5	5
2. Firefighter pension funded ratio	55.6%	60.1%	5	6
3. Municipal (IMRF) pension funded ratio	89.8%	79.8%	8	7
4. City pension debts per household as a percentage of median household income	4.3%	12.2%	8	4
5. City contributions per household as a percentage of median household income	0.34%	1.30%	8	3
6. City contributions as a percentage of total budget	4.5%	9.2%	7	2
7. Ratio of city contributions to employee contributions	2.30	6.24	7	2
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-33.3%	25.3%	3	10
9. Asset-to-payout ratio (Police & Fire only)	17.4	15.4	8	8
10. Worker-to-beneficiary ratio (Police & Fire only)	1.92	1.05	9	5
Total score			68	52
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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