

COMMUNITIES IN CRISIS

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

Clarendon Hills

2019 Grade: D

In 2003, Clarendon Hills’s police, fire and municipal pension funds already faced a shortfall of **\$3.1 million**. That meant every Clarendon Hills household, on average, was on the hook for **\$1,077** in future taxes just to eliminate that shortfall.

Clarendon Hills 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	\$0.26 million	\$0.84 million	Up 3.2X
Share of city general budget for pensions	5.5%	10.3%	Up 1.9X

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

By 2019, the shortfall in Clarendon Hills’s police, fire and municipal pension funds totaled **\$11.7 million**. That means each Clarendon Hills household, on average, is now on the hook for **\$3,621** in debt.

Everyone loses under Clarendon Hills’s pension crisis:



Taxpayers are tapped out

Clarendon Hills residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.2 times more to pensions than in 2003, yet city debts are 3.8 times larger.



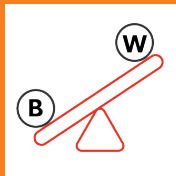
Pension costs are devouring the city’s budget

Clarendon Hills pension contributions have grown to consume 10.3% of the city’s budget, up from 5.5% in 2003. That’s crowded out spending on public safety, roads and other core services.



Clarendon Hills worker retirement security is collapsing

The health of Clarendon Hills’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 71.9% of the money they needed. By 2019, that had dropped to just 55.7%.



Clarendon Hills’s crisis will only get worse

Clarendon Hills has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.50 active workers for every pensioner. By 2019, there were 0.81 active workers per pensioner.

2019 GRADE



2003 GRADE



Clarendon Hills 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).*

Clarendon Hills received a "D" grade in 2019. The city's total score dropped from 75 in 2003 to 64 in 2019, a decline of 11 points.

Clarendon Hills 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

Clarendon Hills Key Facts		
City demographics	2000	2019
Population	7,610	8,716
Households	2,894	3,231
Median household income	\$84,795	\$111,958
City budget	2003	2019
General revenues	\$4,686,758	\$8,131,380
Total revenues	\$8,514,931	\$15,765,698
Total property taxes	\$2,654,502	\$4,761,922
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$11,109,129	\$26,429,491
Total pension assets	\$7,992,002	\$14,730,953
Funded ratio	71.9%	55.7%
Total pension shortfall	\$3,117,127	\$11,698,538
Per household	\$1,077	\$3,621
Active public safety workers	15	13
Public safety pension beneficiaries	10	16
City pension contributions	2003	2019
City contributions	\$256,356	\$837,261
Per household	\$89	\$259
Percentage of city's general budget	5.5%	10.3%
Employees' contributions	\$153,065	\$213,313

Clarendon Hills Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	64.0%	53.5%	6	5
2. Firefighter pension funded ratio	92.5%	94.4%	9	9
3. Municipal (IMRF) pension funded ratio	85.6%	51.8%	8	5
4. City pension debts per household as a percentage of median household income	1.3%	3.2%	9	8
5. City contributions per household as a percentage of median household income	0.10%	0.23%	9	8
6. City contributions as a percentage of total budget	3.0%	5.3%	8	6
7. Ratio of city contributions to employee contributions	1.67	3.93	8	5
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-25.2%	-7.0%	4	8
9. Asset-to-payout ratio (Police & Fire only)	13.4	11.9	7	6
10. Worker-to-beneficiary ratio (Police & Fire only)	1.50	0.81	7	4
Total score			75	64
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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