

# COMMUNITIES IN CRISIS

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

**Evergreen Park**

**2019 Grade: D**

In 2003, Evergreen Park’s police, fire and municipal pension funds already faced a shortfall of **\$4.4 million**. That meant every Evergreen Park household, on average, was on the hook for **\$586** in future taxes just to eliminate that shortfall.

*Evergreen Park 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	\$0.31 million	\$1.99 million	Up 6.4X
Share of city general budget for pensions	2.2%	7.1%	Up 3.2X

*Despite the ramp-up in city payments over those 16 years, Evergreen Park’s pension debts didn’t decrease. Instead, they jumped by 6.9 times!*

By 2019, the shortfall in Evergreen Park’s police, fire and municipal pension funds totaled **\$30.2 million**. That means each Evergreen Park household, on average, is now on the hook for **\$4,325** in debt.

## Everyone loses under Evergreen Park’s pension crisis:



### Taxpayers are tapped out

Evergreen Park residents are paying more and more into a broken system. City taxpayers in 2019 contributed 6.4 times more to pensions than in 2003, yet city debts are 6.9 times larger.



### Pension costs are devouring the city’s budget

Evergreen Park pension contributions have grown to consume 7.1% of the city’s budget, up from 2.2% in 2003. That’s crowded out spending on public safety, roads and other core services.



### Evergreen Park worker retirement security is collapsing

The health of Evergreen Park’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 89.5% of the money they needed. By 2019, that had dropped to just 69.7%.



### Evergreen Park’s crisis will only get worse

Evergreen Park has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.97 active workers for every pensioner. By 2019, there were 0.98 active workers per pensioner.

2019 GRADE



2003 GRADE



# Evergreen Park 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).\*

Evergreen Park received a "D" grade in 2019. The city's total score dropped from 85 in 2003 to 60 in 2019, a decline of 25 points.

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

Evergreen Park Key Facts		
<b>City demographics</b>	<b>2000</b>	<b>2019</b>
Population	20,821	19,479
Households	7,509	6,981
Median household income	\$53,514	\$75,657
<b>City budget</b>	<b>2003</b>	<b>2019</b>
General revenues	\$14,065,213	\$28,043,602
Total revenues	\$24,115,688	\$48,395,362
Total property taxes	\$5,740,809	\$9,556,579
<b>Pension health (police, fire &amp; IMRF)</b>	<b>2003</b>	<b>2019</b>
Total accrued liabilities (benefits owed)	\$41,811,921	\$99,649,850
Total pension assets	\$37,409,167	\$69,456,138
Funded ratio	89.5%	69.7%
Total pension shortfall	\$4,402,755	\$30,193,712
Per household	\$586	\$4,325
Active public safety workers	59	59
Public safety pension beneficiaries	30	60
<b>City pension contributions</b>	<b>2003</b>	<b>2019</b>
City contributions	\$314,663	\$1,990,491
Per household	\$42	\$285
Percentage of city's general budget	2.2%	7.1%
Employees' contributions	\$469,435	\$870,087

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

Evergreen Park Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	85.5%	68.7%	8	6
2. Firefighter pension funded ratio	71.6%	11.7%	7	1
3. Municipal (IMRF) pension funded ratio	111.3%	88.8%	10	8
4. City pension debts per household as a percentage of median household income	1.1%	5.7%	9	7
5. City contributions per household as a percentage of median household income	0.08%	0.38%	10	8
6. City contributions as a percentage of total budget	1.3%	4.1%	10	7
7. Ratio of city contributions to employee contributions	0.67	2.29	10	7
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-39.0%	-20.6%	2	5
9. Asset-to-payout ratio (Police & Fire only)	25.0	14.2	10	7
10. Worker-to-beneficiary ratio (Police & Fire only)	1.97	0.98	9	4
<b>Total score</b>			85	60
<b>Grade</b>			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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