

# COMMUNITIES IN CRISIS

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

**Aurora**

**2019 Grade: F**

In 2003, Aurora’s police, fire and municipal pension funds already faced a shortfall of **\$107.4 million**. That meant every Aurora household, on average, was on the hook for **\$2,302** in future taxes just to eliminate that shortfall.

*Aurora 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	\$10.56 million	\$32.90 million	Up 3.1X
Share of city general budget for pensions	10.1%	17.5%	Up 1.7X

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

By 2019, the shortfall in Aurora’s police, fire and municipal pension funds totaled **\$409.9 million**. That means each Aurora household, on average, is now on the hook for **\$6,449** in debt.

## Everyone loses under Aurora’s pension crisis:



### Taxpayers are tapped out

Aurora residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.1 times more to pensions than in 2003, yet city debts are 3.8 times larger.



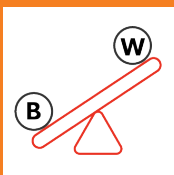
### Pension costs are devouring the city’s budget

Aurora pension contributions have grown to consume 17.5% of the city’s budget, up from 10.1% in 2003. That’s crowded out spending on public safety, roads and other core services.



### Aurora worker retirement security is collapsing

The health of Aurora’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 66.9% of the money they needed. By 2019, that had dropped to just 56.3%.



### Aurora’s crisis will only get worse

Aurora has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.00 active workers for every pensioner. By 2019, there were 1.20 active workers per pensioner.

2019 GRADE



2003 GRADE



# Aurora 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).\*

Aurora received an “F” grade in 2019. The city’s total score dropped from 75 in 2003 to 58 in 2019, a decline of 17 points.

Aurora was one of 102 cities to receive an “F” grade in 2019.

Aurora Key Facts		
<b>City demographics</b>	<b>2000</b>	<b>2019</b>
Population	142,990	199,927
Households	46,649	63,568
Median household income	\$54,861	\$71,749
<b>City budget</b>	<b>2003</b>	<b>2019</b>
General revenues	\$104,168,360	\$187,937,122
Total revenues	\$224,253,159	\$442,956,901
Total property taxes	\$57,776,617	\$127,325,639
<b>Pension health (police, fire &amp; IMRF)</b>	<b>2003</b>	<b>2019</b>
Total accrued liabilities (benefits owed)	\$324,434,462	\$938,189,635
Total pension assets	\$217,042,715	\$528,268,888
Funded ratio	66.9%	56.3%
Total pension shortfall	\$107,391,748	\$409,920,747
Per household	\$2,302	\$6,449
Active public safety workers	475	512
Public safety pension beneficiaries	237	428
<b>City pension contributions</b>	<b>2003</b>	<b>2019</b>
City contributions	\$10,559,853	\$32,904,213
Per household	\$226	\$518
Percentage of city’s general budget	10.1%	17.5%
Employees’ contributions	\$4,604,121	\$8,003,881

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

Aurora Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	59.1%	54.0%	5	5
2. Firefighter pension funded ratio	62.2%	53.5%	6	5
3. Municipal (IMRF) pension funded ratio	89.3%	70.3%	8	7
4. City pension debts per household as a percentage of median household income	4.2%	9.0%	8	6
5. City contributions per household as a percentage of median household income	0.41%	0.72%	8	7
6. City contributions as a percentage of total budget	4.7%	7.4%	7	4
7. Ratio of city contributions to employee contributions	2.29	4.11	7	4
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-7.9%	-11.5%	8	7
9. Asset-to-payout ratio (Police & Fire only)	19.5	13.7	8	7
10. Worker-to-beneficiary ratio (Police & Fire only)	2.00	1.20	10	6
<b>Total score</b>			<b>75</b>	<b>58</b>
<b>Grade</b>			<b>C</b>	<b>F</b>

\*Wirepoints analyzed 175 of Illinois’ largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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