

COMMUNITIES IN CRISIS

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

Geneva

2019 Grade: D

In 2003, Geneva’s police, fire and municipal pension funds already faced a shortfall of **\$7.1 million**. That meant every Geneva household, on average, was on the hook for **\$1,040** in future taxes just to eliminate that shortfall.

Geneva 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	\$0.83 million	\$2.88 million	Up 3.5X
Share of city general budget for pensions	7.3%	14.9%	Up 2.0X

Despite the ramp-up in city payments over those 16 years, Geneva’s pension debts didn’t decrease. Instead, they jumped by 4.8 times!

By 2019, the shortfall in Geneva’s police, fire and municipal pension funds totaled **\$33.9 million**. That means each Geneva household, on average, is now on the hook for **\$4,242** in debt.

Everyone loses under Geneva’s pension crisis:



Taxpayers are tapped out

Geneva residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.5 times more to pensions than in 2003, yet city debts are 4.8 times larger.



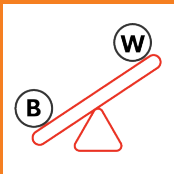
Pension costs are devouring the city’s budget

Geneva pension contributions have grown to consume 14.9% of the city’s budget, up from 7.3% in 2003. That’s crowded out spending on public safety, roads and other core services.



Geneva worker retirement security is collapsing

The health of Geneva’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 79.2% of the money they needed. By 2019, that had dropped to just 65.1%.



Geneva’s crisis will only get worse

Geneva has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 3.60 active workers for every pensioner. By 2019, there were 1.56 active workers per pensioner.

2019 GRADE

D

2003 GRADE

C

Geneva 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).*

Geneva received a "D" grade in 2019. The city's total score dropped from 79 in 2003 to 69 in 2019, a decline of 10 points.

Geneva 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

Geneva Key Facts		
City demographics	2000	2019
Population	19,515	21,888
Households	6,781	7,994
Median household income	\$77,299	\$111,916
City budget	2003	2019
General revenues	\$11,279,930	\$19,372,135
Total revenues	\$41,330,486	\$83,157,392
Total property taxes	\$5,303,889	\$6,858,188
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$33,982,736	\$97,059,700
Total pension assets	\$26,929,149	\$63,145,233
Funded ratio	79.2%	65.1%
Total pension shortfall	\$7,053,587	\$33,914,467
Per household	\$1,040	\$4,242
Active public safety workers	54	56
Public safety pension beneficiaries	15	36
City pension contributions	2003	2019
City contributions	\$826,036	\$2,882,451
Per household	\$122	\$361
Percentage of city's general budget	7.3%	14.9%
Employees' contributions	\$705,975	\$971,057

Geneva Score

Metric	2003	2019	2003	2019
1. Police pension funded ratio	67.5%	53.9%	6	5
2. Firefighter pension funded ratio	77.1%	68.9%	7	6
3. Municipal (IMRF) pension funded ratio	90.6%	78.8%	9	7
4. City pension debts per household as a percentage of median household income	1.3%	3.8%	9	8
5. City contributions per household as a percentage of median household income	0.16%	0.32%	9	8
6. City contributions as a percentage of total budget	2.0%	3.5%	9	8
7. Ratio of city contributions to employee contributions	1.17	2.97	9	6
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-43.4%	-18.7%	1	6
9. Asset-to-payout ratio (Police & Fire only)	34.3	17.4	10	8
10. Worker-to-beneficiary ratio (Police & Fire only)	3.60	1.56	10	7

Total score	79	69
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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