

COMMUNITIES IN CRISIS

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

Joliet

2019 Grade: F

In 2003, Joliet’s police, fire and municipal pension funds already faced a shortfall of **\$129.1 million**. That meant every Joliet household, on average, was on the hook for **\$3,552** in future taxes just to eliminate that shortfall.

Joliet 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	\$8.05 million	\$35.78 million	Up 4.4X
Share of city general budget for pensions	14.3%	20.0%	Up 1.4X

Despite the ramp-up in city payments over those 16 years, Joliet’s pension debts didn’t decrease. Instead, they jumped by 2.7 times!

By 2019, the shortfall in Joliet’s police, fire and municipal pension funds totaled **\$350.6 million**. That means each Joliet household, on average, is now on the hook for **\$7,371** in debt.

Everyone loses under Joliet’s pension crisis:



Taxpayers are tapped out

Joliet residents are paying more and more into a broken system. City taxpayers in 2019 contributed 4.4 times more to pensions than in 2003, yet city debts are 2.7 times larger.



Pension costs are devouring the city’s budget

Joliet pension contributions have grown to consume 20.0% of the city’s budget, up from 14.3% in 2003. That’s crowded out spending on public safety, roads and other core services.



Joliet worker retirement security is collapsing

The health of Joliet’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 59.7% of the money they needed. By 2019, that had dropped to just 57.2%.



Joliet’s crisis will only get worse

Joliet has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.08 active workers for every pensioner. By 2019, there were 1.31 active workers per pensioner.

2019 GRADE

F

2003 GRADE

D

Joliet 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).*

Joliet received an "F" grade in 2019. The city's total score dropped from 66 in 2003 to 54 in 2019, a decline of 12 points.

Joliet was one of 102 cities to receive an "F" 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

Joliet Key Facts		
City demographics	2000	2019
Population	106,221	147,826
Households	36,332	47,563
Median household income	\$47,761	\$70,509
City budget	2003	2019
General revenues	\$56,337,234	\$178,670,767
Total revenues	\$182,893,640	\$371,463,433
Total property taxes	\$20,997,365	\$45,579,348
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$320,384,187	\$818,243,935
Total pension assets	\$191,331,590	\$467,667,654
Funded ratio	59.7%	57.2%
Total pension shortfall	\$129,052,596	\$350,576,281
Per household	\$3,552	\$7,371
Active public safety workers	451	478
Public safety pension beneficiaries	217	366
City pension contributions	2003	2019
City contributions	\$8,050,350	\$35,779,964
Per household	\$222	\$752
Percentage of city's general budget	14.3%	20.0%
Employees' contributions	\$3,933,759	\$6,883,443

Joliet Score

Metric	2003	2019	2003	2019
1. Police pension funded ratio	54.1%	60.5%	5	6
2. Firefighter pension funded ratio	48.2%	56.2%	4	5
3. Municipal (IMRF) pension funded ratio	84.7%	46.6%	8	4
4. City pension debts per household as a percentage of median household income	7.4%	10.5%	7	5
5. City contributions per household as a percentage of median household income	0.46%	1.07%	8	5
6. City contributions as a percentage of total budget	4.4%	9.6%	7	2
7. Ratio of city contributions to employee contributions	2.05	5.20	7	3
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-39.5%	10.6%	2	10
9. Asset-to-payout ratio (Police & Fire only)	16.9	15.3	8	8
10. Worker-to-beneficiary ratio (Police & Fire only)	2.08	1.31	10	6

Total score	66	54
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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