

COMMUNITIES IN CRISIS

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

Lasalle

2019 Grade: F

In 2003, Lasalle’s police, fire and municipal pension funds already faced a shortfall of **\$3.6 million**. That meant every Lasalle household, on average, was on the hook for **\$863** in future taxes just to eliminate that shortfall.

Lasalle 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	\$0.39 million	\$1.47 million	Up 3.8X
Share of city general budget for pensions	10.4%	18.2%	Up 1.7X

Despite the ramp-up in city payments over those 16 years, Lasalle’s pension debts didn’t decrease. Instead, they jumped by 5.5 times!

By 2019, the shortfall in Lasalle’s police, fire and municipal pension funds totaled **\$19.7 million**. That means each Lasalle household, on average, is now on the hook for **\$5,216** in debt.

Everyone loses under Lasalle’s pension crisis:



Taxpayers are tapped out

Lasalle residents are paying more and more into a broken system. City taxpayers in 2019 contributed 3.8 times more to pensions than in 2003, yet city debts are 5.5 times larger.



Pension costs are devouring the city’s budget

Lasalle pension contributions have grown to consume 18.2% of the city’s budget, up from 10.4% in 2003. That’s crowded out spending on public safety, roads and other core services.



Lasalle worker retirement security is collapsing

The health of Lasalle’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 72.2% of the money they needed. By 2019, that had dropped to just 46.1%.



Lasalle’s crisis will only get worse

Lasalle has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.35 active workers for every pensioner. By 2019, there were 1.13 active workers per pensioner.

2019 GRADE

F

2003 GRADE

C

Lasalle 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).*

Lasalle received an "F" grade in 2019. The city's total score dropped from 74 in 2003 to 55 in 2019, a decline of 19 points.

Lasalle 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

Lasalle Key Facts		
City demographics	2000	2019
Population	9,796	9,147
Households	4,153	3,778
Median household income	\$32,491	\$49,792
City budget	2003	2019
General revenues	\$3,758,628	\$8,065,301
Total revenues	\$9,681,989	\$21,836,114
Total property taxes	\$2,122,810	\$5,759,753
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$12,901,658	\$36,563,828
Total pension assets	\$9,318,069	\$16,858,224
Funded ratio	72.2%	46.1%
Total pension shortfall	\$3,583,589	\$19,705,604
Per household	\$863	\$5,216
Active public safety workers	23	26
Public safety pension beneficiaries	17	23
City pension contributions	2003	2019
City contributions	\$391,281	\$1,468,788
Per household	\$94	\$389
Percentage of city's general budget	10.4%	18.2%
Employees' contributions	\$161,630	\$269,267

Lasalle Score

Metric	2003	2019	2003	2019
1. Police pension funded ratio	58.5%	33.1%	5	3
2. Firefighter pension funded ratio	91.2%	60.0%	9	6
3. Municipal (IMRF) pension funded ratio	94.7%	76.9%	9	7
4. City pension debts per household as a percentage of median household income	2.7%	10.5%	8	5
5. City contributions per household as a percentage of median household income	0.29%	0.78%	8	7
6. City contributions as a percentage of total budget	4.0%	6.7%	7	5
7. Ratio of city contributions to employee contributions	2.42	5.45	7	3
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-17.6%	-4.3%	6	9
9. Asset-to-payout ratio (Police & Fire only)	22.4	9.3	9	5
10. Worker-to-beneficiary ratio (Police & Fire only)	1.35	1.13	6	5

Total score	74	55
Grade	C	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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