In 2003, Cairo’s police, fire and municipal pension funds already faced a shortfall of $1.0 million. That meant every Cairo household, on average, was on the hook for $636 in future taxes just to eliminate that shortfall.

Cairo 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.

<table>
<thead>
<tr>
<th>2003</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>City (taxpayer) contributions to pensions</td>
<td>$0.04 million</td>
<td>$0.59 million</td>
</tr>
<tr>
<td>Share of city general budget for pensions</td>
<td>1.6%</td>
<td>23.8%</td>
</tr>
</tbody>
</table>

Despite the ramp-up in city payments over those 16 years, Cairo’s pension debts didn’t decrease. Instead, they jumped by 5.1 times!

By 2019, the shortfall in Cairo’s police, fire and municipal pension funds totaled $5.2 million. That means each Cairo household, on average, is now on the hook for $6,344 in debt.

Everyone loses under Cairo’s pension crisis:

**Taxpayers are tapped out**
Cairo residents are paying more and more into a broken system. City taxpayers in 2019 contributed 14.8 times more to pensions than in 2003, yet city debts are 5.1 times larger.

**Pension costs are devouring the city’s budget**
Cairo pension contributions have grown to consume 23.8% of the city’s budget, up from 1.6% in 2003. That’s crowded out spending on public safety, roads and other core services.

**Cairo worker retirement security is collapsing**
The health of Cairo’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 88.3% of the money they needed. By 2019, that had dropped to just 59.6%.

**Cairo’s crisis will only get worse**
Cairo has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 0.58 active workers for every pensioner. By 2019, there were 0.17 active workers per pensioner.
Cairo received an “F” grade in 2019. The city’s total score dropped from 70 in 2003 to 28 in 2019, a decline of 42 points.

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

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).* 

Communities in crisis: More than half of Illinois cities get “F” grades for local pensions