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## The Municipal Government Debt Crisis

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The economic recession that began in 2007 exposed and aggravated a government debt crisis that had been brewing for many years at the national, state, and municipal levels of the U.S. Slow or negative economic growth, falling housing values, and rising costs for social safety-net programs came together to make it impossible to hide the extent to which governments are borrowing to pay for current operations and shortchanging their workers' pension funds.

While many studies have analyzed the current debt level of the federal government and to a lesser extent that of state governments, there has been little research on county and municipal debt. This report seeks to begin to fill that void.

### 1. Summary

For this project we analyzed the financial condition of 518 primary taxing districts within Cook County, the second-most populous county in the United States and home to the City of Chicago. Data were derived from the most recent financial reports published on the Cook County Treasurer's Web site on June 30, 2012. The 518 taxing districts have a combined "financial burden" of almost \$34 billion. The Institute for Truth in Accounting (IFTA) determined the "financial burden" by subtracting liabilities the taxing districts have accumulated to date, including unfunded retirement liabilities, from the assets available to pay those liabilities.<sup>2</sup>

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<sup>2</sup> Capital assets and debt related to capital assets are not included in these calculations.

Specifically, we found the following:

- Unfunded pension liability, \$31.07 billion
- Unfunded retirees' health care benefits liability, \$7.18 billion
- Other debts and liabilities, \$24.88 billion
- Total amount of bills, \$63.13 billion
- Assets available to pay bills, \$29.41 billion
- Financial burden (total bills minus assets), \$33.72 billion

There are 1,966,356 households in Cook County.<sup>3</sup> Simple division produces the following average per-household amounts:

- Unfunded pension liability, \$15,799
- Unfunded retirees' health care benefits liability, \$3,651
- Other debt and liabilities, \$12,655
- Total amount of bills, \$32,105
- Assets available to pay bills, \$14,957
- Financial burden (total bills minus assets), \$17,147

The financial burden created by the federal government is \$574,042 per household,<sup>4</sup> while the financial burden of the Illinois government is \$32,905 per household. When added together, the total federal, state, and local financial burden on the average household in Cook County is a staggering \$624,094.

These numbers, even the per-household numbers, may be meaningless to many readers. What does it mean to say an average household has a “financial burden” of \$32,905 from the state of Illinois plus an additional \$17,147 from local governments? Will it ever have to be paid? When, and how quickly? What could be the consequences if the debt comes due and it can't be paid?

Here, briefly, are the answers to these important questions:

- Taxpayers may pay higher taxes due to lower bond ratings (requiring higher interest payments on debt) and to pay benefits that ideally would be paid out of pre-funded pension funds.
- Residents may suffer as mandatory payments to pension funds crowd out spending on necessary public services such as fire, police, and sanitation. Longer response times to fire alarms and calls for police, less frequent garbage collection, and less maintenance of roads and parks are inevitable.

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<sup>3</sup> The number of households represents the occupied households in 2010 according to the United States Census Bureau, <http://www.census.gov/popfinder/>. The United States Census Bureau defines a household as including “all the persons who occupy a housing unit as their usual place of residence.” The average number of people per household in the U.S. is 2.59, in Illinois is 2.61, and in Cook County is 2.63, <http://quickfacts.census.gov/qfd/states/17/17031.html>.

<sup>4</sup> The number of households represents the occupied households in 2010 according to the United States Census Bureau, <http://www.census.gov/prod/cen2010/briefs/c2010br-07.pdf>.

- Unless retirees’ pension and health care benefits are renegotiated or government services are cut, future taxpayers will be forced to pay these benefits as they come due, but they will receive no corresponding government services.
- Higher property tax rates cause property values to fall and businesses to flee, leading to a spiral of even higher tax rates on those who remain to raise the needed funds.
- Population and businesses flee communities and states that are raising taxes relative to other communities and states or that appear to be heading toward a debt crisis. Residents suffer higher rates of unemployment and lower incomes as a result. States such as Indiana and Wisconsin already are benefiting from Illinois’ pending debt crisis.
- Finally, a debt crisis occurs when a government entity cannot afford to make scheduled or negotiated principal and interest payments on debt, plus pensions and health benefits owed to retired workers. The result, as we are witnessing in Detroit, is municipal or county bankruptcy or its equivalent, control over day-to-day operations given to a state- or court-appointed trustee or emergency manager.<sup>5</sup> Dramatic cuts in services, defaults on bonds, and higher taxes are invariably parts of the workout.

Part 1 of this *Policy Brief* describes the government debt crisis that is spreading across the country, starting with the mounting national debt, then Illinois state government indebtedness, and finally Cook County and its municipal taxing jurisdictions. We describe how Illinois’ business climate already is being negatively affected by its tax, spending, and debt situation, and how experts are predicting a fiscal cliff for governments in Cook County in as little as three years.

Part 2 looks at the debt findings of 518 primary taxing districts located within Cook County and ranks the 20 worst “sinkhole districts.” It finds that citizens have been left in the dark as their governments were claiming balanced budgets while accumulating unsustainable retirement liabilities.

Part 3 analyzes the financial state of selected municipalities by breaking down each household’s burden owed to their various taxing districts. It also looks at the total debt obligations, the amount of money available to pay bills, and the communities’ property tax levy history.

Part 4 describes the major drivers of debt. These include accounting gimmicks used to “balance” budgets, antiquated budgeting rules and accounting standards, underfunding pension funds in order to spend more money today, and overly optimistic forecasts of investment returns.

Part 5 presents policy reforms that could steer Cook County and similar districts around the country away from the cliff. Significant pension, budgeting, and spending reforms are necessary to avoid dramatically higher property taxes or defaulting on debts. These remedies are not painless, but the alternative to them is far worse.

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<sup>5</sup> Eric Scorsone, Ph.D. and Nicolette Bateson, CPA, “Evaluating a Chapter 9 Bankruptcy for City of Detroit: Reality Check or Turnaround Solution?” Department of Agricultural, Food and Resource Economics, Michigan State University, February 1, 2012, <http://news.msu.edu/media/documents/2012/02/c763d393-5bad-4864-815b-4f8ff501f289.pdf>.

## 2. The Government Debt Crisis

Government debt figures are often viewed by the public as imaginary bills that will never come due. The reality is that taxpayers around the country and especially those in Cook County, Illinois, are already paying this bill in the form of higher taxes, lower property values, a weakened business climate, and fewer government benefits and services.

### A. National Government

At the national level, the rising debt load has been written about exhaustively for decades. Warnings of a pending debt crisis have been repeatedly overlooked because the day of reckoning was always thought to be ten, 20, or 30 years down the road. Politicians could “kick the can down the road,” and did.

In 2011 this came to a head when the debate over whether Congress should raise the federal debt ceiling from \$14.3 trillion to \$15.194 trillion took center stage. People were not only outraged by the sheer amount of debt that our federal government had racked up but had become worried that not doing anything could jeopardize the country’s credit rating. In the end the debt ceiling was raised with very little in the form of spending cuts and the country’s credit rating was downgraded by Standard & Poor’s.

Since 2011, Republicans and Democrats have fought repeated battles over the debt ceiling, taxes, spending, and deficits. At the end of 2012 a deal was cut to raise taxes and reduce the rate of spending. In 2013, after a deadline for reducing spending was reached without agreement, automatic spending cuts called the “sequester” were implemented. In May 2013, the Congressional Budget Office forecast the federal deficit for the current fiscal year ending September 30 would be \$642 billion, the first deficit in five years to be less than \$1 trillion.<sup>6</sup>

According to the Institute for Truth in Accounting the national debt is much higher than the government’s number. Its analysis shows that “together with unfunded liabilities (all of the benefits that the government has promised to seniors, Baby Boomers, and other citizens) our nation is in the hole for more than \$71 trillion. That’s more than \$228,000 for every man, woman, and child in America, and it’s growing every day.”<sup>7</sup>

The federal government continues to struggle with a growing debt problem and it is projected to get even worse. In his February 1, 2012 testimony before the House Committee on Small Business, Heartland Senior Fellow Peter Ferrara said,

Official U.S. government projections have shown for some time now that over the next 30 to 40 years federal spending as a percent of GDP will double to 40 percent or more. Financing that would ultimately require at least doubling every federal tax. Add in continued state and local spending growing towards 15 percent of GDP, and government in America will consume more than half of the economy. Much more than half in the end,

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<sup>6</sup> Damian Paletta, “Deficit is Shrinking Quickly,” *The Wall Street Journal*, May 15, 2013, p. A2.

<sup>7</sup> Institute for Truth in Accounting, “Learn the Truth,” <http://www.truthin2010.org/content/?articlesource=421>.

because under that burden GDP growth collapses, leaving the government share an even higher percentage of a shrunken GDP.<sup>8</sup>

## B. Illinois Government

Unlike the federal government, all but one state and almost all local governments are required by law to balance their budgets. Even so, these governments have been able to game the system using budgetary gimmicks and short-term or off-budget borrowing. According to a report by State Budget Solutions, the total amount of state debt for 2011 nationally was between \$2 trillion and \$4.2 trillion and rising. In Illinois, whose finances are among the worst in the country, the total debt amount is estimated to be \$280 billion.<sup>9</sup> This addiction to borrowing has substantially added to the growing long-term financial instability of state and local governments.

On January 12, 2011, Illinois raised personal income taxes by 67 percent and corporate taxes by 46 percent to shore up the state's budget deficit. Despite these massive tax increases the state's deficit problems are expected to continue. On January 3, 2012 the state's budget director said, "Our revenue growth is not enough to keep up with pensions and Medicaid. It creates a squeeze for everything else."<sup>10</sup> As a result, unless significant reforms are made massive spending cuts and/or additional tax hikes over the next few years will be needed to keep the state afloat.

According to Illinois Governor Pat Quinn's three-year budget projections, the state's income tax receipts will drop from \$15.5 billion in 2012 to \$12.2 billion by 2015.<sup>11</sup> This is an admission by the governor's office that many residents are voting with their feet and moving out of state. According to the Illinois Policy Institute, between 1995 and 2009, 806,000 more people migrated out of Illinois than migrated into the state.<sup>12</sup>

In 2011, Truth in Accounting identified Illinois as one of its worst "sinkhole states," ranking it the 49th worst state with a per-household financial burden of \$30,936 or a per-taxpayer burden of \$38,500.

As *The Economist* points out, "Over 17% of [Illinois'] operating budget, or about \$5.8 billion this year, goes on meeting public-pension obligations – a burden that will worsen as longevity

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<sup>8</sup> Peter Ferrara, "America's Ticking Bankruptcy Bomb," testimony before the Small Business Committee of the United States House of Representatives, February 1, 2012, [http://smbiz.house.gov/UploadedFiles/Ferrara\\_Testimony.pdf](http://smbiz.house.gov/UploadedFiles/Ferrara_Testimony.pdf).

<sup>9</sup> State Budget Solutions, "Report reveals aggregate state debt exceeds \$4 trillion," <http://www.statebudgetsolutions.org/publications/detail/report-reveals-aggregate-state-debt-exceeds-4-trillion-2>

<sup>10</sup> Chicago Tribune Editorial Board, "How they failed you," *Chicago Tribune*, January 22, 2012, [http://articles.chicagotribune.com/2012-01-22/news/ct-edit-tax-0122-20120122\\_1\\_tax-hikes-tax-refunds-revenue-bill](http://articles.chicagotribune.com/2012-01-22/news/ct-edit-tax-0122-20120122_1_tax-hikes-tax-refunds-revenue-bill).

<sup>11</sup> Governor's Office of Management and Budget, "Three Year Budget Projection, State of Illinois," <http://www.state.il.us/budget/Financial%20Reports/3%20Year%202013%20FINAL.pdf>.

<sup>12</sup> Illinois Policy Institute, "Still leaving Illinois: An exodus of people and money," December 20, 2011, <http://illinoispolicy.org/news/article.asp?ArticleSource=4576>.

increases. Many companies, fearing that they, and their employees, will ultimately have to pick up the tab, are demanding tax breaks to stay in the state.”<sup>13</sup>

A look at how Illinois fared in five recent state business climate studies shows Illinois is becoming less and less competitive nationally. (See Figure 1.) As a result of the 2010 tax hikes, Illinois plummeted 12 spots in the Tax Foundation’s *2011 State Business Climate Rankings*, the most of any state.<sup>14</sup> The average ranking for Illinois was 35.6, with an average drop between the last two rankings of 4.6 spots.

<b>Figure 1 Illinois 2011 Business Climate Rankings</b>		
<b>Organization</b>	<b>Rank</b>	<b>Change from 2010</b>
Tax Foundation	28	-12
Beacon Hill Institute	44	-10
SBE Council	40	-12
CNBC	22	+8
Forbes	41	-4
Chief Executive Magazine	48	-3
Average	35.6	-4.6
<i>Sources:</i> Tax Foundation’s “2011 State Business Tax Climate Index,” The Beacon Hill Institute’s “Eleventh Annual State Competitiveness Report,” the Small Business and Entrepreneurship Council’s “Small Business Survival Index 2011,” CNBC’s “Top States for Business 2011,” <i>Forbes</i> ’ “Best States for Business 2011,” and Chief Executive Magazine’s “Business Climate Survey Rankings.”		

### **C. County and Municipal Debt**

As if federal and state debts weren’t enough, there also is the growing mountain of county and municipal government debt. As Cook County Treasurer Maria Pappas has pointed out, “This is not just about federal and state governments. Homeowners need to understand when they vote for a local bond deal what the financial burden is for their children. This is about educating them.”<sup>15</sup> In Cook County, residents have felt the negative effects of rising debt.

Elsewhere in the country, some local governments already have seen conditions deteriorate to the point of financial crisis. On May 6, 2008, Vallejo, California’s city council voted 7–0 to file for bankruptcy.<sup>16</sup> This city of 120,000 people located just outside San Francisco was the first major

<sup>13</sup> “Illinoyed,” *The Economist*, December 3, 2011, <http://www.economist.com/node/21541038>.

<sup>14</sup> “2012 State Business Tax Climate Index,” Tax Foundation, January 25, 2012, <http://www.taxfoundation.org/research/show/22658.html>.

<sup>15</sup> “11th Annual State Competitiveness Report,” Beacon Hill Institute, 2011, <http://www.beaconhill.org/Compete11/Compete2011.pdf>.

<sup>16</sup> Carolyn Jones, “Vallejo votes to declare Chapter 9 bankruptcy,” *San Francisco Chronicle*, May 7, 2008, <http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/05/07/BACH10HUK6.DTL>.

city to take such drastic actions in the midst of the economic recession. Since then numerous other localities have followed suit including Harrisburg, Pennsylvania (the state's capital); Stockton, California; Jefferson County, Alabama; and Central Falls, Rhode Island. Detroit, Michigan, is on the brink of bankruptcy.<sup>17</sup>

According to James Spiotto, head of the bankruptcy practice at Chapman & Cutler, a Chicago law firm, 619 local government bodies nationwide, mostly small utility or sewer districts, have filed for bankruptcy since 1937. By contrast, there were more than 11,000 Chapter 11 filings by companies to reorganize debt in 2009 alone.<sup>18</sup> Increasingly state governments have had to step in to bail out localities to avoid bankruptcy filings.

At the heart of local debt problems are personnel costs, which make up the majority of county and municipal expenditures. According to the U.S. Census Bureau, "Local governments – which include counties, cities, townships, special districts and school districts – accounted for 12.2 million full-time equivalent employees in 2010."<sup>19</sup> In Cook County and Chicago, personnel costs make up nearly 80 percent of the budgets and are by far the biggest driver of local debt.

The average total compensation (wages and benefits) for government employees according to the Bureau of Labor Statistics stands at \$39.83 an hour. In comparison, the average private-sector worker receives \$29.40 an hour in compensation.<sup>20</sup> That equates to an average compensation of \$83,000 a year for a government worker while the typical private-sector worker's compensation is about \$61,000.

In addition to the high personnel costs, rampant borrowing from pension funds has contributed to making governments' long-term commitments to public workers fiscally unsound. Although many attribute the increased unfunded liability and debt to the economic recession, the problem precedes 2008. For example, the funding ratio of the City of Chicago's pension plan has been decreasing significantly since 1999, when it was 86 percent funded.<sup>21</sup> In 2007, the year leading into the recession, the ratio had already decreased to 61.59 percent. In 2009, the year after the

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<sup>17</sup> Daniel Howes, "Lawyer: Detroit Should Go Bankrupt," *Detroit News*, November 16, 2012, <http://www.detroitnews.com/article/20121116/OPINION03/211160340/1322/AUTO01/Lawyer--%C3%ABDetroit-should-go-bankrupt%C3%AD>.

<sup>18</sup> Cited by Alison Vekshin and Martin Z. Braun, "Vallejo's Bankruptcy 'Failure' Scars Cities Into Cutting Costs," *Bloomberg*, December 13, 2008, <http://www.bloomberg.com/news/2010-12-14/vallejo-s-california-bankruptcy-failure-scares-cities-into-cost-cutting.html>.

<sup>19</sup> "State and Local Governments Employ 16.6 Million Full-Time Equivalent Employees in 2010," U.S. Census Bureau, August 30, 2011, <http://www.census.gov/newsroom/releases/archives/governments/cb11-146.html>.

<sup>20</sup> Eli Lehrer and Steve Stanek, "The State Public Pension Crisis: A 50-State Report Card," The Heartland Institute, April 2010, [http://heartland.org/sites/all/modules/custom/heartland\\_migration/files/pdfs/27578.pdf](http://heartland.org/sites/all/modules/custom/heartland_migration/files/pdfs/27578.pdf).

<sup>21</sup> According to the Illinois Retirement Security Initiative, "The funded ratio places the unfunded liabilities in the context of the retirement system's assets. Expressed as a percentage of a system's liabilities, the funded ratio is calculated by dividing net assets by the actuarial accrued liabilities."

start of the recession, the funding ratio dropped an additional 19 percentage points to 42.74 percent.<sup>22</sup>

## **D. Cook County, Illinois**

There is growing and legitimate fear that Cook County could be heading over a financial cliff, not in 10 or 20 years but in the next three to five years. If this were to happen to either Cook County or the City of Chicago, it would easily be the largest government bankruptcy (or its equivalent, if formal bankruptcy is not a legal option) in the nation's history. Robert Novy-Marx and Joshua D. Rauh presented their prediction for Chicago and the state of Illinois in a 2010 paper:

It seems more likely that the state of Illinois will end up bailing out Chicago, in which case all Illinois households will end up owing around \$42,000. If that would in turn bankrupt Illinois, then the federal government might have to backstop the Illinois liabilities. The distribution of the unfunded liability across different types of taxpayers is an unresolved matter. Part of the uncertainty stems from the fact that residents of one metropolitan area can move to another area in response to tax increases or spending cuts. At the metropolitan level the situation is especially stark, as residents can move to suburban areas in response to increased taxes and service cuts in urban areas. The fact that such a large burden of public employee pensions is concentrated in urban metropolitan areas threatens the long-run economic viability of those areas. County tax systems and state allocation formulas may play a role in reallocating resources, which might limit the ability of households to flee to nearby suburbs.<sup>23</sup>

The increasing debt levels of Cook County's 553 taxing districts corresponds closely with the rise in tax burdens, the biggest of which are property and sales taxes. An analysis by the Treasurer's Office found an average increase of 121 percent for the top 50 residential property tax amounts in each municipality from 1996 to 2009.<sup>24</sup> This rapid increase in taxes has fueled a significant migration of population and businesses out of Cook County. According to the U.S. Census Bureau, Cook County was the only county in the top ten in population to lose population since 2000. Between 2000 and 2010 Chicago lost more than 200,000 residents and Cook County lost 182,000.<sup>25</sup>

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<sup>22</sup> "Commission to Strengthen Chicago's Pension Funds Final Report," City of Chicago, April 20, 2010, [http://www.chipabf.org/ChicagoPolicePension/PDF/Financials/pension\\_commission/CSCP\\_Final\\_Report\\_Vol.2\\_Resources\\_4.30.2010.pdf](http://www.chipabf.org/ChicagoPolicePension/PDF/Financials/pension_commission/CSCP_Final_Report_Vol.2_Resources_4.30.2010.pdf).

<sup>23</sup> Robert Novy-Marx and Joshua Rauh, "The Crisis in Local Government Pensions in the United States," October 2010, <http://www.stanford.edu/~rauh/research/NMRLocal20101011.pdf>.

<sup>24</sup> "Pappas Details Impact of Local Government Debt," Cook County Treasurer's Office, June 21, 2011, <http://www.cookcountytreasurer.com/newsdetail.aspx?ntopicid=434>.

<sup>25</sup> U.S. Census Bureau, "State & County QuickFacts," 2011, <http://quickfacts.census.gov/qfd/states/17/1714000.html>.

Unless major reforms are made in regards to government spending generally and public pension systems specifically, Cook County could enter a devastating downward spiral into population loss, abandonment of residential and commercial properties, rising crime, deteriorating infrastructure, and rising unemployment. It is not clear that government spending can be cut rapidly enough or in a sustainable fashion to head off this frightening forecast. But one thing is apparent: Elected officials with few exceptions have not shown the courage or understanding to take even modest steps toward reform to head off this impending disaster.

### **3. Municipal Debt in Cook County**

This study found more than 70 percent of promised retirement benefits have not been reported on the taxing districts' balance sheets. In addition, government officials have not included all of the government's current costs, such as those related to pension and retiree health care benefits, in their annual budgets. This lack of truth and transparency in government budgeting and accounting makes it impossible for even the most sophisticated user of such reporting to independently determine and judge a public-sector entity's financial condition.

As pointed out by the Association of Government Accountants, "it is difficult to overstate how efficient reporting of government financial information contributes to a healthy democracy. Without accurate fiscal information, delivered regularly, in an easily understandable format, citizens lack the knowledge they need to interact with – and cast informed votes for – their leaders. In this regard, a lack of government accountability and transparency undermines democracy and gives rise to cynicism and mistrust."<sup>26</sup>

#### **A. Financial Burden Defined**

Because of the lack of truth and transparency in budget processes, the public has not been aware that 181 taxing districts in Cook County have been accumulating debt at alarming rates. Research conducted for this report found the taxing districts have accumulated a total "financial burden" of \$33.7 billion. As used in this report, "financial burden (surplus)" is a measure of debt or surplus defined as assets minus liabilities, where assets do not include capital assets (because they can't be readily applied to meet spending obligations) and liabilities exclude debt related to capital assets and include unfunded retirement liabilities (amounts that often are mostly excluded from government budgets and financial reports).

A taxing district has a financial burden when its bills (including unfunded retirement liabilities) are in excess of the assets available to pay those liabilities. Financial burdens often exist because costs, especially those for employees' retirement benefits, were incurred by the taxing districts in prior years but responsibility for paying these costs was shifted onto future taxpayers. This practice violates public accountability principles that stress the current generation of citizens should pay for current-year services and not shift the burden to future-year taxpayers.

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<sup>26</sup> "Public Attitudes Toward Government Accountability and Transparency 2010," February 2010, Association of Government Accountants, <http://www.agacgfm.org/AGA/ToolsResources/CCR/SurveyWhitePaper10.pdf>.

State and local governments are not held to the same accounting standards as most businesses and publicly traded companies. Under outdated government accounting policies, citizens and even elected officials have been left in the dark as their governments were accumulating unsustainable retirement liabilities. This is because the government accounting standards have required governments to **not report** the majority of their unfunded retirement liabilities on their balance sheets.

To bring truth and greater transparency to government budget processes the Institute for Truth in Accounting (IFTA) has developed a budgeting system called “Full Accrual Calculations and Techniques” or FACT. FACT-based budgeting would require elected officials to recognize expenses when incurred regardless of when they are paid.

IFTA has and will continue to encourage the Governmental Accounting Standards Board (GASB) to improve state and local government accounting standards so financial reports provide citizens with the information they need to be knowledgeable participants in their governments. In 2012, Truth in Accounting and others succeeded in encouraging GASB to require state and local governments to report their unfunded pension liabilities on the face of their balance sheets. State and local governments will be required to follow the new standards in their 2015 financial reports.

## **B. Financial Burden by Tax District**

Appendix 1 presents the calculations used to determine the financial burden for 518 taxing districts in Cook County, Illinois. Most of the data were derived from the taxing districts’ financial reports posted on the Cook County Treasurer’s Web site as of June 30, 2012. Data for the five “sinkhole” municipalities, the 20 jurisdictions with the highest per-household burdens, and the City of Chicago were derived from earlier financial reports posted on the Treasurer’s Web site.

Figure 2 summarizes the findings by type of taxing district. We find the City of Chicago and its taxing districts do not have the money needed to pay their bills, resulting in a financial burden of \$26.1 billion. The city itself represents fully \$19.1 billion of that burden (see Appendix 1, page 27.) Other municipalities in suburban Cook County have accumulated a total financial burden of \$2.9 billion. All told, 103 of the 127 Cook County municipalities have dug financial holes for current and future taxpayers.

As sobering as these numbers may appear, the fiscal condition of some taxing districts is actually much worse than we report because the reports posted to Treasurer’s Web site are prepared on a cash rather than accrual basis. Therefore, the taxing districts’ bills are not included in the amounts reported. Most of these taxing districts’ information also did not include data about their unfunded retirement plans. Many districts also assume unrealistic actuarial conditions, especially using annual rates of return on plan assets in excess of 7 percent.

<b>Figure 2.</b> <b>Financial Burden (Surplus) of Taxing Districts in Cook County, IL</b>			
<b>Taxing Districts</b>	<b>Districts with Financial Burdens</b>	<b>Districts Included in this Study</b>	<b>Financial Burden (Surplus)</b> <i>[in millions]</i>
Cook County Wide	3	3	\$7,234
Chicago - City Wide	4	8	\$26,081
Fire	14	28	\$60
Suburban Municipalities	102	126	\$2,899
Education	29	161	(\$2,241)
Library	7	53	(\$97)
Park	18	89	(\$219)
Sanitary	2	15	(\$32)
Special	0	5	(\$4)
Townships	2	30	\$36
<b>Total</b>	<b>181</b>	<b>518</b>	<b>\$33,717</b>

Figure 3 calculates the amount the average household in each of 20 tax districts would have to send to their local government's treasury if the financial burden were assigned equally to each household. The five worst municipalities in Cook County according to this measure are the Village of McCook with a per-household financial burden of \$316,671, Bedford Park at \$259,320, Rosemont at \$90,468, Hodgkins at \$22,990, and Melrose Park at \$19,352. The City of Chicago has the sixth highest per-household burden at \$18,202.

To get a sense of how large (and serious) these debt burdens are, we have added the City of Stockton, California, to Figure 3. Stockton declared bankruptcy when its per-household burden was only \$9,242. Twelve Cook County suburban municipalities and the City of Chicago have higher household burdens than Stockton.

<b>Figure 3.</b> <b>Per-Household Financial Burden, 20 Worst Districts in Cook County, IL</b>				
<b>Ranking</b>	<b>Municipality</b>	<b>Financial Burden</b>	<b>Number of Households</b>	<b>Each Household's Burden</b>
1	McCook	\$32,617,070	103	\$316,671
2	Bedford Park	\$56,971,744	220	\$259,320
3	Rosemont	\$149,453,743	1,651	\$90,468
4	Hodgkins	\$16,519,465	718	\$22,990
5	Melrose Park	\$164,976,352	8,504	\$19,352

6	Chicago	\$19,079,851,000	1,048,222	\$18,202
7	Stone Park	\$17,574,058	1,220	\$14,381
8	Forestview	\$3,775,906	268	\$14,089
9	North Riverside	\$35,486,028	2,982	\$11,904
10	Schiller Park	\$50,598,089	4,685	\$10,770
11	Franklin Park	\$70,557,118	6,594	\$10,741
12	Summit	\$37,320,274	3,695	\$10,133
13	Chicago Heights	\$92,285,031	9,613	\$9,626
	<b>Stockton, CA</b>	<b>\$837,381,000</b>	<b>90,605</b>	<b>\$9,242</b>
14	Broadview	\$30,658,629	3,332	\$9,229
15	Willow Springs	\$20,646,033	2,244	\$9,201
16	Morton Grove	\$72,192,062	8,594	\$8,365
17	Hoffman Estates	\$151,149,139	18,211	\$8,336
18	Bellwood	\$49,399,448	6,175	\$8,009
19	Sauk Village	\$25,336,394	3,207	\$7,854
20	Hillside	\$22,455,381	2,916	\$7,706

Municipalities are in such precarious financial shape primarily because their police and firefighters pension plans are greatly underfunded. Not enough assets have been set aside to fund promised benefits. More than half of these plans have unfunded liabilities of more than 300 percent of covered payroll.

The unfunded liability for the Village of Forestview’s Firefighters Pension Plan, for example, is more than 10 times the amount of related payroll. In other words, to pay off this plan’s unfunded liability the village would have to lay off all of the covered employees for more than 10 years and divert the payroll dollars they would have received solely to paying for the promised pension. Three other municipalities’ unfunded liabilities are more than nine times the amount of covered payroll. (See Figure 4.)

<b>Figure 4. Four Taxing Districts with Highest Unfunded Pension Liabilities Relative to Covered Payroll</b>		
<b>Municipality</b>	<b>Pension Plan</b>	<b>Unfunded Liability as a % of Payroll</b>
Village of Forestview	Firefighters	1017%
Village of Stone Park	Police	976%
Village of Melrose Park	Firefighters	968%
Village of Alsip	Police	928%

Over the years municipalities have not contributed enough to properly fund the pension plans. In non-home rule communities the ability to fund the plans is restricted because state tax caps limit how much tax levies can increase. While the plans' assets are managed by the municipalities, local elected officials are, for the most part, not in control of benefits provided. For the most part state laws determine the amount of benefits employees will receive.

As discussed elsewhere in this document another major reason a few municipalities, like the villages of McCook, Bedford Park, and Rosemont, have financial burdens is because they have taken out tax incentive loans.

Appendix 2 presents two-page summaries for each of the five taxing districts with the highest per-household financial burdens. These summaries highlight the fact that in addition to the taxes that will need to be paid to cover the financial burden in the individual municipal taxing district they live in, each household is responsible for the financial burdens of other taxing entities they reside in. These taxing entities may include education, park, library, sanitary, and special districts; as well as the state and federal government.

### C. Chicago's Financial Burden

Like most of the municipalities in Cook County, the City of Chicago has been balancing its budget without including all of its compensation cost. All of the retirement benefits earned by employees are not included, because money is not set aside when these costs are incurred.

Benefits are earned each day an employee works and the cost of these benefits accumulates every day as well. As these benefits are promised and have been earned, a liability is created that will be paid in the future. Prudent management demands that the value of this liability be estimated and assets provided to make sure the payments can be made when they come due.

We estimate the City of Chicago's financial burden to be \$19.1 billion. With just over one million households residing in Chicago, each household's share of this burden is \$18,200.

Each household is also responsible for the financial burdens of other taxing districts listed in Figure 5. (Taxing districts with negative financial burdens in Figure 5 have more than enough money to cover their bills, according to the financial data reported to the Treasurer's office.)

<b>Figure 5. Per Household Financial Burden for Residents of the City of Chicago</b>	
<b>Taxing District</b>	<b>Per Household Financial Burden (Surplus)</b>
City of Chicago	\$18,202
Board of Education Chicago	\$6,665
Chicago Park District	\$22
Chicago Community College District	\$30

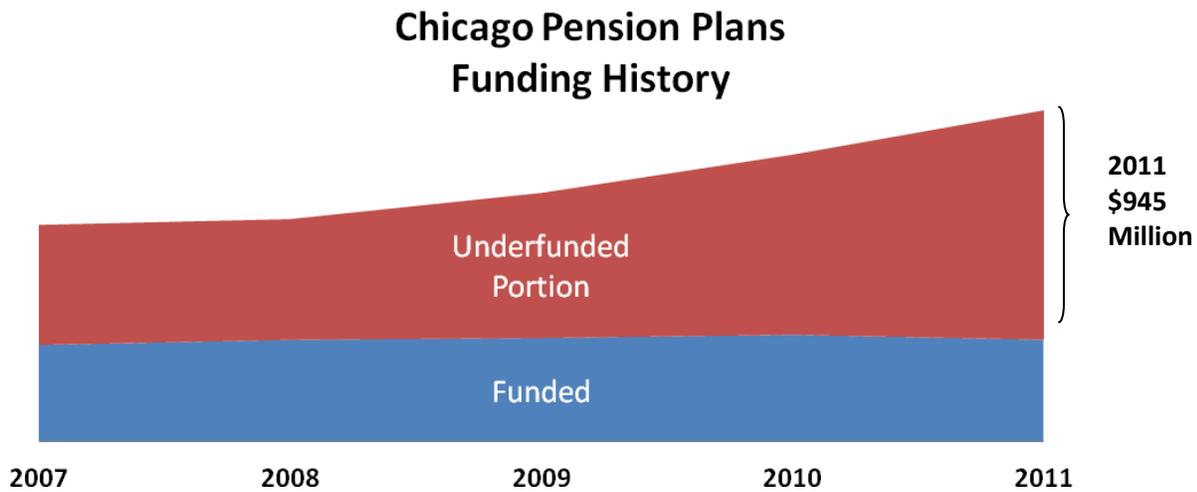
Central Stickney Sanitary District	(\$1)
Northwest Home Equity Assurance	(\$9)
Southwest Home Equity Assurance 1	(\$11)
Southwest Guaranteed Home Equity Program	-
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$28,577</b>
Each Household's Burden for State of Illinois debt	\$30,936
Each Household's Burden for Federal Government debt	\$586,505
<b>Total Each Household's Burden</b>	<b>\$646,018</b>

The total county and municipal financial burden on an average household living in the City of Chicago is \$28,577. Adding the financial burdens of the state of Illinois (\$30,936) and the federal government (\$586,505) brings the total financial burden to \$646,018. Each Chicago household will be burdened in the future with paying taxes of \$646,018 *without receiving any corresponding services or benefits*. This payment will have to be made just to pay the bills (liabilities) that have accumulated to date.

The City of Chicago has been significantly underfunding its pensions for years. (See Figure 6.) While state law sets the contributions the city is required to pay into its four pension plans, these contributions are insufficient to properly fund the plans. To properly fund the plans in 2011 would have required contributions of \$1,362 million. Instead only \$417 million was contributed.

Claiming the city's budget has been balanced while underfunding the pension plans is like a person claiming her budget is balanced but the expense side of the budget doesn't include making the minimum payment on her credit card debt. This person's financial condition would significantly deteriorate as unpaid interest on the debt accumulates, just as Chicago's situation has gone from bad to worse. In recent years the contributions made by the city to the plans have been lower than the cash outlays of the plans. For more detail see the "Financial State of the City of Chicago" included in this report.

Figure 6.



#### D. Other Cook County Taxing Districts

The government of Cook County has a \$6 billion financial burden. The other two county-wide taxing districts in Cook County – the Forest Preserve and the Metro Water Reclamation District of Greater Chicago – have financial burdens of \$5.2 million and \$1.2 billion, respectively. The financial burden calculations presented in Appendix 1 reveal some important differences among taxing districts. For example, the education taxing districts have a combined fiscal surplus of \$2.2 billion with 132 of the 161 education studied having fiscal surpluses.

A major reason why education taxing districts have surpluses is the state of Illinois is responsible for the retirement benefits of teachers, not the education districts. Also, the non-teaching professionals in education taxing districts are required to participate in the Illinois Municipal Retirement Fund (IMRF). The unfunded pension liability associated with the IMRF is managed better than most other public pension plans in Illinois in part because the IMRF, not the taxing districts, has the authority to set contribution rates for each taxing district. IMRF sets these contributions according to actuarial valuations of each taxing district with the goal of reaching 100 percent funding. IMRF has the statutory authority to force the taxing districts within the system to make annual contributions in amounts determined by actuaries.

When the other taxing districts are grouped by category, each category has an overall financial burden, meaning bills (or liabilities, including pension obligations) exceed assets available to pay them. Most of the townships, library, park, and sanitary taxing districts have fiscal surpluses. While half of the fire taxing districts have financial burdens, all of the special districts have surpluses.

One of the reasons most other taxing districts have fiscal surpluses is because most of their employees are part of the IMRF. Half of the fire taxing districts have accumulated a financial burden because while their administrative personnel are part of the IMRF, firefighters are covered by pension plans administered by the taxing districts. Like the municipalities, firefighters' pension plans are greatly underfunded because of financial mismanagement. Not

enough assets have been set aside to fund promised benefits. Over the years fire taxing districts have not contributed enough to properly fund the pension plans.

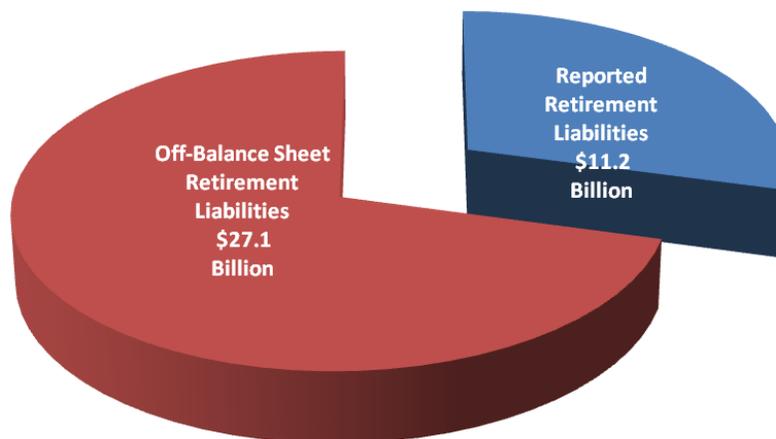
## 4. Drivers of Debt

Even applying the unrealistic assumptions used by the Cook County taxing districts to calculate their unfunded retirement liabilities, taxing districts have accumulated pension and other post-employment benefits (OPEB) liabilities totaling more than \$38.2 billion. This study determined only \$11.2 billion of these liabilities had been reported on taxing districts' balance sheets. More than \$27.1 billion of these retirement liabilities are maintained off-balance sheet. (See Figure 7.)

How did this happen? Why was it allowed to occur? The financial issues of many of the taxing districts of Cook County, as well as state and local governments around the country, are driven by several policies and decisions, among them:

- The use of accounting gimmicks to “balance” budgets.
- Accounting rules that have not kept up with growing state missions and associated costs.
- The calculation of budgets using antiquated budgeting rules and accounting standards.
- Underfunding of promised retirement benefits, including pension and retirees' health care, due to erroneous assumptions about the cost of enriching benefits, demographics, and rate of return on investments.
- Politicians promising more benefits than taxpayers are willing to pay for.
- The use of tax increment financing (TIFs).

**Figure 7.**  
**Percentage of Cook County Retirement Benefit Liabilities**  
**Reported and Off-Balance Sheet**



## **A. Accounting Gimmicks Used to “Balance” Budgets**

All but one state and most local governments have balanced budget requirements. The intent of a balanced budget requirement is to prevent deficits and therefore debt from accruing. Unfortunately, many elected officials use gimmicks and borrowing to balance their budgets rather than making the tough and necessary decisions to cut spending or reform services.

Some of these budgetary tactics include:

- Reporting loan proceeds as revenue.
- Selling or leasing government property, which provides an instant infusion of cash used to plug budget holes at the expense of a long-term revenue stream. Some people would have a positive view about selling government property because if the property is in the hands of the private sector then property taxes could be charged. But the financial impact over time often is not truthfully reported.
- Only including in the budget the bills the taxing district plans to write checks for. This is cash accounting rather than accrual accounting, which counts an expense when it is incurred rather than paid. Under cash-basis accounting, if a check isn't written for the cost incurred, then the cost does not have to be included in the budget.
- “Sweeping” dedicated funds to pay off deficits or debts in the general fund. Surpluses in funds created for specific purposes are sometimes taken to pay bills for other projects. Besides sometimes being illegal, this practice violates legislative intent and creates an incentive to waste money instead of being more prudent with tax dollars.

Current budgeting practices and accounting rules may allow for the use of such tactics, but they do not truly balance governments' budgets. And they do not allow taxpayers and elected officials to make knowledgeable budgeting decisions about the expanding role of their governments.

## **B. Not Keeping Up With Growing Government Missions**

The assumed missions of most government entities, including Cook County taxing districts, continue to expand over time to embrace a wide array of programs and other forms of commitments that attempt to provide direct assistance to constituents and government employees. As a result, taxing districts now commit themselves to myriad nearly open-ended liabilities including permanent commitments obliging them to pay benefits to employees and to eligible recipients regardless of the amounts that may be available in any fund originally established to pay for them. Therefore, more spending commitments being made now have ramifications far into the future.

State and local governments have not changed the way they report these future obligations to keep up with these ever-expanding mission changes. State and local governments are making more and more financial commitments using incomplete data and failing to take into account long-term liabilities created by the commitments being made.

## C. Antiquated Budgeting Rules and Accounting Standards

Fund, or cash-basis, accounting may have been appropriate for the governments' missions as they were a century ago. Created in the nineteenth century as the standard accounting method for public entities this cash-based system establishes separate funds to track and pay for various government functions. Government officials used this technique to control spending on bridges, roads, and other projects by appropriating money into a specific fund for each project.

This method allowed only the money in the designated fund to be used for that project and only to the extent that the fund had a positive balance. This effectively controlled the purpose and the amount devoted to any project. When a bridge or road was to be built the associated costs were determined before the first shovel was turned and the total cost was finite. Elected officials could then appropriate money to a project and let it proceed. If the money ran out before the bridge was complete work would stop until new funds were appropriated. This self-liquidating feature created self-enforcing controls on spending.

State and local governments, like Cook County taxing districts, continue to use historical cash-based fund accounting. For those functions that do not relate to a specific project with an associated fund governments have established a "General Fund" that typically has become the primary focus of government budgets. The budgets of the General Fund and specific projects are primarily created using "checkbook" accounting.

Cash accounting is an antiquated accounting method. It is simply inappropriate for state and local governments with expanding educational, health, and welfare missions because it does not achieve accounting's most basic mission of matching revenues and costs. Government budgeting using short-term cash-basis numbers when making long-term commitments is a recipe for financial disaster, as this report shows.

In contrast to cash accounting, accrual accounting recognizes expenses when incurred regardless of when paid and revenues when earned regardless of when received. The use of accrual accounting principles in the budget process would acknowledge the political and economic realities of the twenty-first century. The major reason it is not used is that the Governmental Accounting Standards Board (GASB), which sets Generally Accepted Accounting Principles for state and local governments, did not require accrual accounting.

Until 1997 state and local governments were not required to disclose their unfunded pension liabilities. That year GASB instituted an accounting standard that required governments to disclose some unfunded pension liabilities. Governments are required to slowly (over 40 years) add the unfunded liabilities onto their balance sheets. The standard allows the unfunded liabilities incurred by pension benefit enhancements to be added over as many as 30 years.

In addition, the standard required governments to include on their income statements,<sup>27</sup> as "pension expense," the cost of retirement benefits employees earn each year. Also included in pension expense is the amortization of benefit enhancements and prior costs, including the pre-1997 liabilities. The combination of these two elements, plus interest, is known as the *Annual*

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<sup>27</sup> In state government accounting an "Income Statement" is called a "Statement of Activities."

*Required Contribution* (ARC). With certain adjustments the ARC is the employer's entire required contribution<sup>28</sup> for the year.

If a taxing district habitually makes contributions into its pension plan in the amount of its ARC, it will eventually fully fund promised pension benefits. If it makes a contribution that is less than the ARC, this deficiency becomes a *Net Pension Obligation*. The Net Pension Obligation is reported on the taxing district's balance sheet and accumulates each year the ARC is not fully provided. But only sophisticated readers of the governments' comprehensive annual financial reports (CAFR) may know that this liability as reported on the balance sheet is not the governments' total unfunded pension liability.

As reported earlier, pension-related liabilities of \$22.1 billion do not appear on the balance sheets of Cook County taxing districts. Another off-budget liability is governments' obligations for other post-employment benefits (OPEB), the majority of which are retirees' health care benefits. It was not until 2008 that GASB instituted reporting requirements for this liability.

Until 2008, most governments did not even calculate their OPEB liabilities, which represent the future health care benefits their employees had *already* earned as a part of compensation. Like the pension liabilities, rather than putting the OPEB liabilities on taxing districts' balance sheets at one time, governments can amortize the pre-1998 unfunded OPEB liabilities up to 30 years. To the extent the governments do not contribute the calculated OPEB expense to the related plan, a *Net OPEB Obligation* is reported on the governments' balance sheet.

For the most part, taxing districts have not set aside money to pay these OPEB benefits, relying instead on a "pay-as-you-go" system. Our analysis of all taxing districts found less than 1 percent of the promised retirees' health care benefits have assets set aside to cover them. OPEB-related liabilities of approximately \$5 billion do not appear on the Cook County taxing districts' balance sheets.

#### **D. Underfunding Promised Retirement Benefits**

For years, elected officials have been guaranteeing defined-benefit pension benefits to government employees while pushing the costs onto the next generation of taxpayers. Even worse is that taxpayers have remained in the dark as to how much they pay, or will have to pay, to keep these pensions afloat in the future.

According to our analysis, unfunded pension benefits for Cook County taxing districts are more than \$29 billion. According to Cook County Commissioner Bridget Gainer, the Cook County Pension Fund has a funded status of 57.5 percent, meaning it will not have the money to pay for 43 percent of the currently promised benefits. In order to pay these costs the fund will need to reduce benefits, increase contributions, find new revenue, or a combination of all three.<sup>29</sup>

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<sup>28</sup> This is the "entire required contribution" states are mandated by GASB to report on their Income Statements, not necessarily the amount that would be required to adequately fund the pension benefits according to actuarially sound calculations.

<sup>29</sup> Cook County Commissioner Bridgett Gainer, "Truth in Numbers The Cook County Pension Fund," 2012, <http://www.openpensions.org/wp-content/uploads/Gainer-Truth-In-Numbers.pdf>.

Drivers of underfunded retirement plans include benefit enrichments, employees living longer than expected, lower-than-assumed investment returns, and government officials promising benefits without providing adequate funding.

### **i. Enrichment of Pension Benefits**

In most pension plans retirees are given automatic cost of living adjustments (COLAs), which increase costs regardless of the districts' ability to pay. Benefits are also enriched through double-dipping and benefit "spiking."

Retirees double-dip when they are eligible for more than one government pension plan. For example, a police officer may work long enough to qualify for his police pension and then he may shift to an administrative job and qualify for a pension through the Illinois Municipal Retirement Fund. Benefit-spiking occurs when the government employer increases an employee's salary for the last few years of the employee's career so the retirement benefits the employee will receive, which are a percentage of salary earned in the last years of work, are higher.

Due to COLA and benefit-spiking abuses, the *Chicago Sun-Times* reported, 14,280 government retirees in Illinois are making more than they earned during their highest-salaried year.<sup>30</sup> According to the newspaper, "Nearly 4,000 retired government workers have pensions that pay them at least \$100,000. More than half have collected more than \$1 million each since they retired. It costs more than \$800 million a month for governments to cover their pension burden."<sup>31</sup>

### **ii. Employees Living Longer**

Like Social Security and Medicare, pension plans' eligibility ages have not been raised to correspond to increases in life expectancy. As a result the period of time that retirees are supported by their pension is extended. With an aging public workforce and relatively low retirement age when compared to the private sector, it is not uncommon for a retiree to collect more than 25 years of pension and health benefits. The result is a demographics-driven tsunami about to hit many government budgets.

Former Illinois State Comptroller Dan Hynes estimated, "the average retirement age for a state employee is just under 60 years. The state could be looking at losing over 40% of its current workforce in the next ten years and over 74% in the next 20 years."<sup>32</sup>

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<sup>30</sup> "Pension bonanza for government workers, survivors," *Chicago Sun-Times*, September 10, 2009, <http://www.suntimes.com/data/2427897-515/div-http-caspio-pensions-script.html>.

<sup>31</sup> *Ibid.*

<sup>32</sup> Illinois Comptroller Daniel W. Hynes, "Illinois State Pensions Continue to Put Pressure on the State Budget," Fiscal Focus, January 2007, <http://www.apps.ioc.state.il.us/ioc-pdf/FFWeb0107.pdf>.

Workers may hesitate to leave government jobs because most private employers offer less-generous retirement packages. To keep their benefits, many public workers stay with jobs even if they don't like them or have lost motivation until they are "vested" or qualified to receive pension benefits. According to a study by the Wisconsin Legislative Council, "In 2010, a total of 58 plans, or 66.7% of the 87 plans in the report, require five or less years of service to vest. This is a decrease of six plans since the 2008 Report and 15 plans since the 2000 Report. The recent trend appears to be towards vesting periods of greater than five years."<sup>33</sup>

### iii. Lower-than-Assumed Investment Returns

Overly optimistic forecasts of investment returns contribute to the under-funding problem. Actuaries use what is known as a present value calculation to estimate a plan's future benefits and the contributions that will be needed to pay those benefits. The present value of the pension and OPEB liabilities is the amount that would have to be invested today – at an assumed rate of return – to ensure money will be available to pay future benefits.

The assumed rate of return is the actuarial assumption of what plan assets are expected to earn before being used to pay benefits. A higher rate of return requires smaller contributions from the employer and results in the estimation of a lower liability. Conversely a lower rate of return requires governments to contribute more into the plan to pay promised benefits and increases the estimate of the liability.

Many argue that the rates of return used by government actuaries are too high, especially considering the recent downturn in the economy and the market value of plan assets. When rate of return assumptions are off even a small percentage it can have huge impacts on the solvency of a pension fund. In July 2012, Moody's Investors Service Inc., a major credit rating agency, said it will rate state and local governments' unfunded pension liabilities by using a more realistic 5.5 percent rate of return. According to *Pensions & Investments*, under that rate of return, "Unfunded liabilities would jump to nearly \$47 billion at the 10 biggest Chicago-area public pension plans, from \$27 billion in fiscal 2010."<sup>34</sup>

According to a paper from the Arnold Foundation, there are two concerns with the rate of return. "First, even though the historic returns of a fund have reached the predicted level, there is no guarantee that future returns will match that performance. Economic shocks may make achieving the funds' predicted return exceedingly difficult over a long period of time. Second, investment returns are often treated asymmetrically. That is, when funds experience a period of returns that beat their prediction, the surplus is often spent on benefits enhancement instead of being saved for downturns."<sup>35</sup>

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<sup>33</sup> Daniel Schmidt, "2010 Comparative Study of Major Public Employee Retirement Systems," Wisconsin Legislative Council, December 2011, [http://legis.wisconsin.gov/lc/publications/crs/2010\\_retirement.pdf](http://legis.wisconsin.gov/lc/publications/crs/2010_retirement.pdf).

<sup>34</sup> Paul Merrion, "Moody's pension calculation changes could hit Illinois hard," *Pensions & Investments*, July 10, 2012, <http://www.pionline.com/article/20120710/REG/120719984>.

<sup>35</sup> Josh B. McGee, Ph.D., "Creating a New Public Pension System," Laura and John Arnold Foundation, 2012, <http://www.arnoldfoundation.org/sites/default/files/pdf/A9RBC84.pdf>.

This has happened in Cook County where the 10 pension funds that serve employees assume annual rate of returns of between 6 and 8 percent. Despite many of these funds experiencing double-digit returns in 2010 the unfunded liabilities still increased. For instance, “Cook County uses an assumed rate of 7.5 percent but saw an actual return of 12.4% in 2010. It closed out 2010 with \$5.2 billion of unfunded liabilities for a funded ratio of 61%, compared to \$4.6 billion and 63% in 2009.”<sup>36</sup>

One of the largest risks is the fluctuation in the market value of plan assets. Many governments use smoothing techniques to value their plan assets, in which assets are valued at the average market value over several years. This masks risk that should be highlighted, not hidden, from the public. A drop in the market value of plan assets may result in the government having to provide additional resources to adequately fund guaranteed benefits. Taxpayers will be responsible to provide these additional resources, so they must be informed of this possibility in the most transparent way possible.

### **E. Promising Benefits Without Providing Adequate Funding**

The largest annual cost incurred by most governments is employees’ compensation. Included in employees’ compensation packages are benefits such as pensions and other post employment benefits (OPEB). OPEB can include benefits for health care, dental care, and life insurance.

When employees work they provide current services to a taxing district. The salary portion of the compensation cost is paid in the current payroll period while the retirement benefits portion is charged to the taxing district’s “credit card.” Actuaries determine the taxing district’s retirement plans’ “credit card” balance and calculate the minimum payments or annual required contributions (ARC) necessary to pay off the balance over a designated time. The balance is called the “Unfunded Actuarial Accrued Liability.”

If the taxing district chooses to pay only a portion of the ARC, then the money that would have gone to pay the entire amount can be spent on something that citizens may view more favorably than paying money into the retirement plans. The temptation for elected officials is to give citizens what they want today and leave future elected officials the unpopular task of raising taxes in order to keep the promises prior elected officials made.

To the extent the retirement plans are not funded, the taxing district makes an implicit decision to devote some future taxes to pay the balance and the interest that will accumulate between the time the compensation cost was incurred and the time the benefits are paid. Most taxing districts do not pay their minimum contributions (ARC), meaning taxpayers will be burdened with paying the unfunded retirement promises *plus interest* sometime in the future without receiving any services for those tax dollars.

As mentioned previously, taxing districts with all of their employees enrolled in the IMRF are in better financial shape because the state mandates that the taxing districts pay the ARC. There have been a few years where the state has allowed taxing districts to pay less than the ARC. Obviously this reduced the plan funding ratio. We could not find years where the state required

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<sup>36</sup> Yvette Shields, “Unfunded State and Local Illinois Pensions Hit \$103B,” *Bond Buyer*, January 25, 2012, [http://www.bondbuyer.com/issues/121\\_16/unfunded-illinois-pensions-1035591-1.html](http://www.bondbuyer.com/issues/121_16/unfunded-illinois-pensions-1035591-1.html).

taxing districts to pay more than the ARC to make up for the years that were underfunded. The combined IMRF funding ratio for all of the taxing districts is 72 percent.

The taxing districts have other pension plans including those for police and firefighters. The taxing districts have the authority to determine their contributions into the other (non-IMRF) pension plans. This has resulted in a combined funding ratio for all of the taxing districts' other pension plans of less than 56 percent. These plans have only 56 cents set aside for every dollar in benefits promised.

How bad is a funding ratio of 56 percent? The Employee Retirement Income Security Act (ERISA) of 1974 established funding benchmarks for pensions.<sup>37</sup> A plan is considered "endangered" when its funding ratio falls below 80 percent and "critical" when the ratio drops below 65 percent.

One way to improve the funding ratio is to have employees contribute more to their retirement. But many state employees are politically active and, once again, politicians find it easier to avoid conflict and give them what they ask for, knowing the bills won't come due until after they have left office. At least 15 states offer retirement plans to which taxpayers contribute two or more times as much as government workers do. Some of Illinois' pension systems require taxpayers to contribute up to eight times as much as employees contribute.<sup>38</sup>

## **F. Tax Increment Financing**

A final driver of municipal debt is tax increment financing (TIF). Tax increment financing is a popular economic development tool used by municipalities across the country including those in Cook County. In a typical situation, municipalities issue bonds for infrastructure improvements and sometimes for incentive payments to businesses, and then attempt to pay the bonds off over time with the additional (incremental) tax revenue generated by the new economic activity. The debt incurred by municipalities in this fashion can be staggering.

Some 280 TIF districts are in place in Cook County. The 2011 report from Cook County Clerk David Orr's office on TIF revenues "shows that 80 percent of all Chicago TIFs saw double-digit revenue drops" and "only ten TIFs, or 6 percent of Chicago's TIFs, saw revenue increases."<sup>39</sup> Even though 18 new TIFs were added in 2011 in Cook County, the report found that revenue slid 10 percent from 2010. Since 2007 total TIF revenues have dropped 18 percent putting municipalities in a dangerous situation.<sup>40</sup>

According to Orr, "With such a significant portion of our real estate falling into one of the TIF districts, it is incumbent upon municipal governments to include TIF districts in their budgeting

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<sup>37</sup> Carl Horowitz, "Two New Reports Highlight Union Pension Shortfall," National and Legal Policy Center, October 6, 2009, <http://www.nlpc.org/stories/2009/10/06/two-new-reports-highlight-union-pension-shortfall>.

<sup>38</sup> Daniel Schmidt, *supra* note 33.

<sup>39</sup> Cook County Clerk David Orr, "2011 TIF revenue continues 4 year slide," July 18, 2012, <http://www.cookcountyclerk.com/newsroom/newsfromclerk%5CPages/2011TIFReport.aspx>.

<sup>40</sup> *Ibid.*

process. In a time of such economic challenge, it is only fair to put everything on the table. Otherwise the public cannot have a clear sense of their community's fiscal strengths and liabilities."<sup>41</sup>

While some residents and businesses may be displaced by subsidized newcomers, taxpayers will be paying off TIF-related bonds for decades to come.

## 5. The Way Out

Our analysis of the drivers of the municipal government debt crisis points to the way out. States, counties, and municipalities can adopt policies that address the decisions that have created the crisis and hid it from the public's view for many years.

Not every government faces the same problems – for example, some have been much better about transparency and using proper accounting methods than others, and not all have incurred debt by creating tax increment finance districts. We offer this brief list, which tracks the organization of Part 4 of this report, as a guide to concerned taxpayers and policymakers alike.

1. Adopt accounting practices that provide maximum transparency and avoid using gimmicks such as selling revenue-generating assets and shifting money from restricted funds to the general fund to achieve short-term budget fixes.
2. Create an accurate and complete accounting of all of the new missions and obligations the municipality has adopted over time, including their future costs, and then track expenses and revenues earmarked for new projects.
3. Insist on accrual accounting instead of cash accounting for all government entities. Record expenses when they are incurred and not only when they are paid. Fully count pension and OPEB obligations as expenses and insist that they be fully funded. This can be done by using what we have called Full Accrual Calculations and Techniques (FACT) accounting.
4. Acknowledge that more employees will be retiring and living longer after retirement than previous budgets assumed, and increase the projected liability and ARC accordingly. Reduce forecasts of the return on investment of pension funds to more realistic levels.
5. Carefully manage the use of tax increment financing to ensure that TIF districts are not diverting needed public funds from other services and that taxpayers are not subject to the risk of having to pay off loans if the expected increase in tax revenues doesn't appear.
6. Above all, elected officials need to avoid the twin temptations of providing new services without asking taxpayers to pay for them and putting the demands of special-interest groups above the taxpaying public.

Nothing in this list should be particularly controversial or viewed as being political or ideological. Public officials, accountants, and budget experts will recognize everything in this list as standard best practices for municipalities that have avoided financial troubles in the past.

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<sup>41</sup> *Ibid.*

## 6. Conclusion

Taxing districts in Cook County and elsewhere have accumulated debt despite the fact that many of them have a state-mandated constitutional responsibility to balance their budgets. The numbers outlined in this report are startling, and much higher than have been reported in the popular press – higher even than is believed by elected officials and likely far higher than most residents of Cook County imagine. We suspect they may be just as high in other parts of the country. If nothing is done, there will be more municipalities defaulting from unmanageable burdens of debt.

To be informed participants in their governments, citizens must be provided with truthful and transparent information. Governments' efforts, including those of the taxing districts in Cook County, to begin digging out from their current financial holes must start with an honest accounting. Only then can responsible alternatives to place the taxing districts on solid financial footing be developed and debated.

This report takes the first steps by determining the financial conditions of each taxing districts, outlining the drivers of debt, and identifying some of the common-sense practices that communities ought to adopt in order to avoid the coming financial cliff.

We have highlighted the fact that taxing districts' elected officials now make decisions that obligate their governments to permanent commitments. Therefore their budget processes need to highlight both the short-term and long-term financial consequences of decisions being made today.

Like all government entities, the taxing districts in Cook County derive their just powers from the consent of the governed. Therefore each taxing district has a special responsibility to report on its actions and the results of those actions. These reports must provide useful information that enables the citizens and their elected representatives to make informed decisions. Governments must change how they prepare their budgets and financial reports to provide this information.

## About the Authors

**John Nothdurft** joined the staff of The Heartland Institute in May 2008 as Heartland's legislative specialist on budget and tax policy. He was named government relations director in November 2010. His responsibilities include managing the government relations department staff and tracking their performance; interacting with elected officials and staff; tracking new legislation; and drafting responses to emerging issues via talking points, news releases, and op-ed pieces, with the goal of educating legislators and informing them about free-market ideas.

Nothdurft is a member of the American Legislative Exchange Council's Tax and Fiscal Policy Task Force and has testified before multiple state legislatures on a wide range of issues. His work has been published in scores of publications, including the *Chicago Tribune*, *Milwaukee Journal-Sentinel*, *Detroit News*, *Chicago Sun-Times*, *Atlanta Journal-Constitution*, and *Investor's Business Daily*.

Prior to joining Heartland Nothdurft was national press coordinator for Americans for Fair Taxation, one of the largest grassroots tax-reform organizations in the country.

Born in Marietta, Georgia, Nothdurft graduated with a Bachelor of Arts degree in political science from the University of Mississippi.

**Sheila A. Weinberg**, CPA, is founder and CEO of the Institute for Truth in Accounting. The Institute's mission is to compel, in a nonpartisan manner, government entities to produce financial reports that are understandable, reliable, transparent and correct.

Since 2002 Weinberg has led the Institute's research initiative, which includes the "The Truth about Balanced Budget: a Fifty State Study," the "Financial State of the States," and the "Financial State of the Union." Because of her expertise in government budgeting and accounting Weinberg has been requested to testify before the Federal Accounting Standards Advisory Board, the Government Accounting Standards Board, and numerous state legislative hearings.

Weinberg earned her Bachelor of Accounting degree from the University of Denver, which she attended on an academic scholarship. She received her certified public accountant credential in 1981. Weinberg was active in the Concord Coalition from its inception in 1992 and was honored in 1998 with its Outstanding Volunteer Award.

Weinberg is a member of the Association of Government Accountants' Financial Management Standards Board, the Comeback America Initiative Advisory Council, and the University of Denver's School of Accountancy Advisory Board. She has served as an independent legislative advisor to members of Congress on federal budgeting and accounting issues. She was also a member of the Academy of Government Accountability Advisory Council and two FASAB task forces. Her editorials about the federal budget, Social Security, Medicare, and other national issues have appeared in numerous publications, including *USA Today*, *Chicago Tribune*, and *Chicago Sun-Times*. She has been a guest on local and national television and radio and is often engaged to speak on federal and state budget and accounting issues.

## Appendix 1. Financial Burden Calculations

Category	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
County Wide Taxing Districts	\$3,380,293,209	\$5,182,686,627	\$2,150,507,482	\$3,281,486,491	\$10,614,680,600	\$7,234,387,391
City of Chicago Taxing Districts	\$13,192,573,758	\$21,986,345,551	\$3,762,254,937	\$13,524,774,485	\$39,273,374,973	\$26,080,801,215
Fire Districts	\$161,967,894	\$98,204,815	\$36,766,004	\$87,012,921	\$221,983,740	\$60,015,846
Municipalities	\$3,614,694,228	\$3,081,868,902	\$708,625,803	\$2,723,448,876	\$6,513,943,581	\$2,899,249,353
Education Districts	\$7,748,135,593	\$460,117,508	\$441,631,573	\$4,605,592,985	\$5,507,342,066	(\$2,240,793,527)
Library Districts	\$191,187,372	\$27,787,270	\$102,399	\$66,024,777	\$93,914,446	(\$97,272,926)
Park Districts	\$624,073,037	\$95,188,234	\$2,409,264	\$307,426,110	\$405,023,608	(\$219,049,429)
Sanitary Districts	\$205,043,771	\$9,374,824	\$12,822,372	\$151,277,821	\$173,475,017	(\$31,568,754)
Special Districts	\$13,245,465	\$1,380,195	\$573,319	\$7,103,473	\$9,056,987	(\$4,188,478)
Townships	\$280,470,080	\$124,066,215	\$62,604,119	\$130,253,478	\$316,923,812	\$36,453,732
All Cook County Taxing Districts	\$29,411,684,407	\$31,067,020,140	\$7,178,297,272	\$24,884,401,417	\$63,129,718,829	\$33,718,034,422

**COUNTY WIDE TAXING DISTRICTS**

<b>Taxing District Name</b>	<b>Assets Available to Pay Bills</b>	<b>Unfunded Pension Benefits</b>	<b>Unfunded Retirees' Health Care Benefits</b>	<b>Other Liabilities</b>	<b>Bills</b>	<b>Financial Burden (Surplus)</b>
<b>County of Cook</b>	<b>\$2,185,881,174</b>	<b>\$4,109,964,547</b>	<b>\$1,767,724,972</b>	<b>\$2,325,354,786</b>	<b>\$8,203,044,305</b>	<b>\$6,017,163,131</b>
<b>Forest Preserve District of Cook County</b>	<b>\$266,035,035</b>	<b>\$68,800,080</b>	<b>\$43,102,510</b>	<b>\$159,339,705</b>	<b>\$271,242,295</b>	<b>\$5,207,260</b>
<b>Metro Water Reclamation Dist of Greater Chicago</b>	<b>\$928,377,000</b>	<b>\$1,003,922,000</b>	<b>\$339,680,000</b>	<b>\$796,792,000</b>	<b>\$2,140,394,000</b>	<b>\$1,212,017,000</b>
<b>County Wide Taxing Districts Total</b>	<b>\$3,380,293,209</b>	<b>\$5,182,686,627</b>	<b>\$2,150,507,482</b>	<b>\$3,281,486,491</b>	<b>\$10,614,680,600</b>	<b>\$7,234,387,391</b>

**CITY OF CHICAGO DISTRICTS**

<b>Taxing District Name</b>	<b>Assets Available to Pay Bills</b>	<b>Unfunded Pension Benefits</b>	<b>Unfunded Retirees' Health Care Benefits</b>	<b>Other Liabilities</b>	<b>Bills</b>	<b>Financial Burden (Surplus)</b>
<b>Board of Education Chicago</b>	<b>\$3,751,294,000</b>	<b>\$5,372,773,000</b>	<b>\$2,786,840,000</b>	<b>\$2,561,515,000</b>	<b>\$10,721,128,000</b>	<b>\$6,969,834,000</b>
<b>Central Stickney Sanitary District</b>	<b>\$441,795</b>	<b>\$168,551</b>	<b>\$0</b>	<b>(\$1,189,085)</b>	<b>(\$1,020,534)</b>	<b>(\$1,462,329)</b>
<b>Chicago Community College District</b>	<b>\$249,056,215</b>	<b>\$0</b>	<b>\$124,498,937</b>	<b>\$155,976,538</b>	<b>\$280,475,475</b>	<b>\$31,419,260</b>
<b>Chicago Park District</b>	<b>\$672,204,000</b>	<b>\$314,443,000</b>	<b>\$45,800,000</b>	<b>\$334,790,000</b>	<b>\$695,033,000</b>	<b>\$22,829,000</b>
<b>City of Chicago</b>	<b>\$8,495,597,000</b>	<b>\$16,298,961,000</b>	<b>\$805,116,000</b>	<b>\$10,471,371,000</b>	<b>\$27,575,448,000</b>	<b>\$19,079,851,000</b>
<b>Northwest Home Equity Assurance</b>	<b>\$9,719,189</b>	<b>\$0</b>	<b>\$0</b>	<b>\$132,812</b>	<b>\$132,812</b>	<b>(\$9,586,377)</b>
<b>Southwest Guaranteed Home Equity Program</b>	<b>\$42,798</b>	<b>\$0</b>	<b>\$0</b>	<b>\$515</b>	<b>\$515</b>	<b>(\$42,283)</b>
<b>Southwest Home Equity Assurance 1</b>	<b>\$14,218,761</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,177,705</b>	<b>\$2,177,705</b>	<b>(\$12,041,056)</b>
<b>City of Chicago Taxing Districts Total</b>	<b>\$13,192,573,758</b>	<b>\$21,986,345,551</b>	<b>\$3,762,254,937</b>	<b>\$13,524,774,485</b>	<b>\$39,273,374,973</b>	<b>\$26,080,801,215</b>

**FIRE DISTRICTS**

	<b>Taxing District Name</b>	<b>Assets Available to Pay Bills</b>	<b>Unfunded Pension Benefits</b>	<b>Unfunded Retirees' Health Care Benefits</b>	<b>Other Liabilities</b>	<b>Bills</b>	<b>Financial Burden (Surplus)</b>
	Barring-Ctryside Fire Dist	\$12,364,200	\$0	\$0	\$4,231,470	\$4,231,470	(\$8,132,730)
	Bartlett Fire District	\$11,058,693	\$4,678,291	\$0	\$210,320	\$4,888,611	(\$6,170,082)
	Bensenville Fire Protection District #2	\$1,577,580	\$10,232,345	\$0	\$5,657	\$10,238,002	\$8,660,422
	Central Stickney Fire Dist	\$702,410	\$91,574	\$0	\$296,993	\$388,567	(\$313,843)
	E Dundee-Cntryside Fire	\$2,811,611	\$876,620	\$0	\$2,041,214	\$2,917,834	\$106,223
	Elk Grove Rural Fire Protection District	\$3,584,499	\$0	\$0	\$12,753	\$12,753	(\$3,571,746)
	Forest River Fire Protection District	\$25,093	\$0	\$0	\$22,593	\$22,593	(\$2,500)
#N/A	Forest View Fire Protection Dist	\$0	\$0	\$0	\$0	\$0	\$0
	Garden Home Fire District (Alsip)	\$96,407	\$0	\$0	\$76,300	\$76,300	(\$20,107)
	Glenbrook Fire District Glenview	\$3,447,365	\$0	\$0	\$3,504,972	\$3,504,972	\$57,607
#N/A	Hanover Park Fire Protection District	\$0	\$0	\$0	\$0	\$0	\$0
#N/A	Hoffman Estates Fire Dist 1	\$0	\$0	\$0	\$0	\$0	\$0
	Holbrook Fire Protection District Chicago Heights	\$10,927	\$0	\$0	\$10,927	\$10,927	\$0
	Hometown Fire Protect.Dist	\$503,683	\$0	\$0	\$0	\$0	(\$503,683)
	Lemont Fire Protect. District	\$12,209,047	\$6,412,590	\$527,513	\$10,319,063	\$17,259,166	\$5,050,119
	Leyden Fire Protection District Franklin Park	\$1,045,207	\$5,224,835	\$0	(\$39,493)	\$5,185,342	\$4,140,135
	Long Grove Fire Protection Dist	\$4,944,274	\$537,430	\$0	\$3,877,113	\$4,414,543	(\$529,731)
#N/A	Miller Woods Fire Protection District Steger	\$0	\$0	\$0	\$0	\$0	\$0
	Mokena Fire Protect. District	\$5,588,448	\$1,731,902	\$0	\$5,492,331	\$7,224,233	\$1,635,785
	No.Maine Fire Protect.Dist (Des Plaines)	\$7,660,179	\$10,335,957	\$0	\$336,433	\$10,672,390	\$3,012,211
	North Lake Fire Protection District	\$2,918,678	\$3,359,937	\$2,693,763	(\$185,169)	\$5,868,531	\$2,949,853
	North Palos Fire Protection	\$6,631,822	\$2,612,758	\$1,386,960	\$5,781,570	\$9,781,288	\$3,149,466

	District Palos Hills						
	Northbrook Rural Fire Dist	\$6,855,705	\$0	\$0	\$3,480,686	\$3,480,686	(\$3,375,019)
	Norw. Pk.Fire Protect.Dist. Harwood Hts	\$7,205,041	\$10,148,864	\$5,231,205	\$3,095,447	\$18,475,516	\$11,270,475
	Nw Homer Fire Protect.Dist Lockport	\$1,002,898	\$699,753	\$0	\$5,138	\$704,891	(\$298,007)
#N/A	Olympia Gdns Fire Dist. Chicago Heights	\$0	\$0	\$0	\$0	\$0	\$0
	Orland Fire Protect.District	\$43,882,118	\$24,071,215	\$14,469,642	\$29,107,900	\$67,648,757	\$23,766,639
	Palatine Rural Fire Protection District	\$5,471,052	\$2,340,124	\$142,147	\$4,121,261	\$6,603,532	\$1,132,480
	Palos Fire Protect. District	\$1,307,008	\$2,300,042	\$106,454	(\$415,557)	\$1,990,939	\$683,931
	Palos Hts.Fire Prot. District	\$3,581,006	\$36,338	\$0	\$2,892,199	\$2,928,537	(\$652,469)
	Pleasant View Fire District	\$10,585,413	\$12,514,241	\$12,208,320	\$9,510,891	\$34,233,452	\$23,648,039
	Prospect Heights Fire Protection District	\$3,777,909	\$0	\$0	(\$780,091)	(\$780,091)	(\$4,558,000)
#N/A	Riverside Lawn Fire District	\$0	\$0	\$0	\$0	\$0	\$0
#N/A	Roberts Park Fire Protection District (Hickory Hills/Justice)	\$0	\$0	\$0	\$0	\$0	\$0
#N/A	Roselle Fire Protection District	\$0	\$0	\$0	\$0	\$0	\$0
#N/A	Sunnycrest Fire Protection District Flossmoor	\$0	\$0	\$0	\$0	\$0	\$0
	Yorkfield Fire Protection District Elmhurst	\$1,119,621	\$0	\$0	\$0	\$0	(\$1,119,621)
	<b>Total Fire Districts</b>	<b>\$161,967,894</b>	<b>\$98,204,815</b>	<b>\$36,766,004</b>	<b>\$87,012,921</b>	<b>\$221,983,740</b>	<b>\$60,015,846</b>

**MUNICIPAL DISTRICTS**

Ranking	Taxing District Name	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
80	Village of Alsip	\$24,236,553	\$38,721,468	\$8,628,731	\$4,835,196	\$52,185,395	\$27,948,842
42	Village of Arlington Heights	\$129,812,216	\$84,124,366	\$15,188,323	\$59,318,222	\$158,630,911	\$28,818,695
11	Village of Barrington	\$33,225,732	\$13,212,580	\$2,456,894	\$11,477,627	\$27,147,101	(\$6,078,631)
94	Village of Barrington Hills	\$7,602,806	\$5,785,475	\$0	\$8,593,126	\$14,378,601	\$6,775,795
57	Village of Bartlett	\$39,457,241	\$12,642,714	\$5,959,506	\$45,910,202	\$64,512,422	\$25,055,181
125	Village of Bedford Park	\$62,065,371	\$11,027,945	\$22,212,207	\$85,796,963	\$119,037,115	\$56,971,744

110	Village of Bellwood	\$15,061,889	\$27,888,751	\$2,642,479	\$33,930,107	\$64,461,337	\$49,399,448
27	Village of Bensenville	\$26,683,610	\$13,331,291	\$1,799,457	\$11,961,423	\$27,092,171	\$408,561
6	Village of Berkeley	\$10,534,668	\$3,519,927	\$0	\$646,325	\$4,166,252	(\$6,368,416)
105	City of Berwyn	\$51,863,542	\$85,570,155	\$9,610,538	\$66,469,641	\$161,650,334	\$109,786,792
85	City of Blue Island	\$2,447,603	\$23,985,223	\$0	\$11,327,904	\$35,313,127	\$32,865,524
106	Village of Bridgeview	\$18,555,143	\$31,772,270	\$3,826,497	\$22,156,219	\$57,754,986	\$39,199,843
114	Village of Broadview	\$28,888,148	\$21,893,258	\$3,239,420	\$34,414,099	\$59,546,777	\$30,658,629
49	Village of Brookfield	\$19,850,872	\$14,968,865	\$598,958	\$13,840,798	\$29,408,621	\$9,557,749
51	Village of Buffalo Grove	\$53,766,496	\$49,472,377	\$2,108,079	\$23,512,203	\$75,092,659	\$21,326,163
#N/A	City of Burbank	\$0	\$0	\$0	\$0	\$0	\$0
46	Village of Burnham	\$620,448	\$2,228,714	\$0	\$151,439	\$2,380,153	\$1,759,705
16	Village of Burr Ridge	\$15,503,131	\$6,253,841	\$953,779	\$4,689,074	\$11,896,694	(\$3,606,437)
102	City of Calumet City	\$43,887,834	\$40,765,274	\$53,226,002	\$29,628,772	\$123,620,048	\$79,732,214
76	Village of Calumet Park	\$13,184,306	\$6,693,090	\$0	\$14,825,995	\$21,519,085	\$8,334,779
115	City of Chicago Heights	\$31,485,228	\$44,146,263	\$5,847,587	\$73,776,409	\$123,770,259	\$92,285,031
87	Village of Chicago Ridge	\$15,994,355	\$23,248,932	\$6,218,557	\$9,941,121	\$39,408,610	\$23,414,255
62	City of Country Club Hills	\$21,572,522	\$13,067,079	\$2,483,797	\$17,190,243	\$32,741,119	\$11,168,597
25	City of Countryside	\$17,622,254	\$11,068,539	\$1,629,857	\$5,055,726	\$17,754,122	\$131,868
99	Village of Crestwood	\$14,566,601	\$588,592	\$0	\$38,966,114	\$39,554,706	\$24,988,105
8	Village of Deer Park	\$2,646,232	\$0	\$0	\$463,195	\$463,195	(\$2,183,037)
53	Village of Deerfield	\$39,920,036	\$19,373,610	\$4,427,351	\$26,014,131	\$49,815,092	\$9,895,056
81	City of Des Plaines	\$83,049,907	\$94,911,992	\$13,581,821	\$60,026,185	\$168,519,998	\$85,470,091
7	Village of Dixmoor	\$3,040,938	\$0	\$0	(\$92,976)	(\$92,976)	(\$3,133,914)
77	Village of Dolton	\$26,080,838	\$639,515	\$0	\$49,353,065	\$49,992,580	\$23,911,742
89	Village of East Dundee	\$4,271,203	\$3,354,680	\$260,357	\$6,261,713	\$9,876,750	\$5,605,547
3	Village of East Hazelcrest	\$3,779,851	\$554,277	\$0	\$673,570	\$1,227,847	(\$2,552,004)
52	City of Elgin	\$190,658,453	\$127,572,412	\$20,649,065	\$93,003,320	\$241,224,797	\$50,566,344
91	Village of Elk Grove	\$84,901,864	\$73,636,686	\$27,250,914	\$43,237,859	\$144,125,459	\$59,223,595
64	Village of Elmwood Park	\$20,087,666	\$36,989,797	\$1,542,673	\$1,913,622	\$40,446,092	\$20,358,426
100	City of Evanston	\$118,399,012	\$193,424,447	\$12,259,348	\$71,216,554	\$276,900,349	\$158,501,337
40	Village of Evergreen Park	\$9,854,462	\$8,960,812	\$495,568	\$6,435,290	\$15,891,670	\$6,037,208
19	Village of Flossmoor	\$16,862,141	\$9,209,347	\$842,311	\$4,981,963	\$15,033,621	(\$1,828,520)
#N/A	Village of Ford Heights	\$0	\$0	\$0	\$0	\$0	\$0
48	Village of Forest Park	\$17,576,769	\$19,070,527	\$2,035,510	\$5,625,483	\$26,731,520	\$9,154,751
120	Village of Forestview	\$1,487,916	\$5,239,335	\$0	\$24,487	\$5,263,822	\$3,775,906
5	Village of Frankfort	\$41,943,851	\$9,929,618	\$631,457	\$9,178,611	\$19,739,686	(\$22,204,165)
117	Village of Franklin Park	\$21,294,164	\$43,732,081	\$22,505,725	\$25,613,476	\$91,851,282	\$70,557,118

103	Village of Glencoe	\$20,898,449	\$19,767,554	\$1,691,343	\$16,758,316	\$38,217,213	\$17,318,764
14	Village of Glenview	\$119,633,966	\$43,328,103	\$8,695,668	\$49,649,276	\$101,673,047	(\$17,960,919)
32	Village of Glenwood	\$13,849,363	\$6,136,999	\$96,044	\$9,547,965	\$15,781,008	\$1,931,645
10	Village of Golf	\$800,631	\$0	\$0	\$533,794	\$533,794	(\$266,837)
44	Village of Hanover Park	\$44,442,754	\$29,368,757	\$3,708,726	\$24,055,022	\$57,132,505	\$12,689,751
9	City of Harvey	\$37,524,693	\$0	\$0	\$22,100,292	\$22,100,292	(\$15,424,401)
31	Village of Harwood Heights	\$5,539,388	\$3,089,213	\$399,518	\$4,062,332	\$7,551,063	\$2,011,675
78	Village of Hazelcrest	\$12,536,967	\$13,719,483	\$9,566,603	\$5,165,865	\$28,451,951	\$15,914,984
15	City of Hickory Hills	\$13,291,382	\$6,171,672	\$157,446	\$1,447,861	\$7,776,979	(\$5,514,403)
108	Village of Hillside	\$15,569,140	\$27,220,905	\$1,036,125	\$9,767,491	\$38,024,521	\$22,455,381
90	Village of Hinsdale	\$17,844,998	\$25,766,321	\$3,974,749	\$12,525,399	\$42,266,469	\$24,421,471
123	Village of Hodgkins	\$18,419,175	\$5,249,283	\$360,873	\$29,328,484	\$34,938,640	\$16,519,465
111	Village of Hoffman Estates	\$61,046,114	\$62,707,256	\$10,111,315	\$139,376,682	\$212,195,253	\$151,149,139
22	City of Hometown	\$1,370,989	\$285,863	\$0	\$353,543	\$639,406	(\$731,583)
63	Village of Homewood	\$23,720,698	\$16,989,508	\$14,892,597	\$6,852,530	\$38,734,635	\$15,013,937
29	Village of Indian Head Park	\$1,454,549	\$805,495	\$0	\$1,145,905	\$1,951,400	\$496,851
34	Village of Inverness	\$7,885,151	\$398,036	\$0	\$9,153,291	\$9,551,327	\$1,666,176
86	Village of Justice	\$3,915,985	\$7,617,779	\$1,400,431	\$14,662,222	\$23,680,432	\$19,764,447
92	Village of Kenilworth	\$4,715,218	\$5,281,399	\$89,954	\$2,904,570	\$8,275,923	\$3,560,705
54	Village of La Grange	\$24,490,102	\$22,439,869	\$527,800	\$10,608,416	\$33,576,085	\$9,085,983
30	Village of Lagrange Park	\$8,570,132	\$9,980,503	\$0	\$450,134	\$10,430,637	\$1,860,505
104	Village of Lansing	\$11,810,722	\$33,407,395	\$28,991,186	\$12,515,970	\$74,914,551	\$63,103,829
72	Village of Lemont	\$11,899,035	\$6,131,586	\$813,030	\$20,393,917	\$27,338,533	\$15,439,498
45	Village of Lincolnwood	\$20,157,799	\$18,307,870	\$122,152	\$6,981,571	\$25,411,593	\$5,253,794
33	Village of Lynwood	\$2,553,770	\$2,961,365	\$0	\$1,602,621	\$4,563,986	\$2,010,216
71	Village of Lyons	\$8,358,212	\$8,735,711	\$2,149,338	\$8,039,988	\$18,925,037	\$10,566,825
88	City of Markham	\$16,416,846	\$6,892,569	\$0	\$26,644,651	\$33,537,220	\$17,120,374
68	Village of Matteson	\$23,010,665	\$22,408,641	\$3,822,477	\$12,448,317	\$38,679,435	\$15,668,770
#N/A	Village of Maywood	\$0	\$0	\$0	\$0	\$0	\$0
126	Village of McCook	\$10,872,741	\$5,780,757	\$9,536,145	\$28,172,909	\$43,489,811	\$32,617,070
122	Village of Melrose Park	\$30,958,604	\$81,060,012	\$36,450,815	\$78,424,129	\$195,934,956	\$164,976,352
12	Village of Merrionette Park	\$1,700,787	\$0	\$0	\$471,109	\$471,109	(\$1,229,678)
95	Village of Midlothian	\$18,085,828	\$8,031,708	\$10,598,369	\$24,518,436	\$43,148,513	\$25,062,685
112	Village of Morton Grove	\$26,597,320	\$51,016,960	\$13,755,977	\$34,016,445	\$98,789,382	\$72,192,062
59	Village of Mount Prospect	\$60,025,207	\$57,320,725	\$5,796,773	\$34,631,734	\$97,749,232	\$37,724,025
79	Village of Niles	\$43,449,038	\$55,230,764	\$20,740,621	\$9,025,575	\$84,996,960	\$41,547,922
75	Village of Norridge	\$5,137,505	\$16,533,103	\$3,535,820	\$751,425	\$20,820,348	\$15,682,843

2	City of North Lake	\$35,151,715	\$8,559,431	\$0	\$6,832,871	\$15,392,302	(\$19,759,413)
119	Village of North Riverside	\$5,879,983	\$19,010,791	\$17,402,074	\$4,953,146	\$41,366,011	\$35,486,028
67	Village of Northbrook	\$53,594,335	\$40,143,401	\$4,194,010	\$38,650,391	\$82,987,802	\$29,393,467
74	Village of Northfield	\$14,301,505	\$13,833,712	\$1,907,712	\$4,569,652	\$20,311,076	\$6,009,571
84	Village of Oak Brook	\$29,693,148	\$29,801,254	\$3,108,091	\$8,657,397	\$41,566,742	\$11,873,594
61	City of Oak Forest	\$15,659,159	\$18,255,572	\$1,797,310	\$15,965,239	\$36,018,121	\$20,358,962
96	Village of Oak Lawn	\$67,115,270	\$95,241,320	\$31,258,580	\$50,134,737	\$176,634,637	\$109,519,367
98	Village of Oak Park	\$44,586,712	\$94,722,713	\$5,525,873	\$59,471,224	\$159,719,810	\$115,133,098
69	Village of Olympia Fields	\$8,914,979	\$8,543,164	\$897,808	\$4,110,628	\$13,551,600	\$4,636,621
58	Village of Orland Hills	\$1,146,239	\$2,587,731	\$1,064,955	\$1,765,361	\$5,418,047	\$4,271,808
13	Village of Orland Park	\$94,792,176	\$27,383,291	\$7,216,777	\$31,190,264	\$65,790,332	(\$29,001,844)
41	Village of Palatine	\$115,240,582	\$69,487,755	\$3,316,449	\$68,857,701	\$141,661,905	\$26,421,323
24	City of Palos Heights	\$25,317,315	\$12,674,563	\$375,219	\$11,802,824	\$24,852,606	(\$464,709)
60	City of Palos Hills	\$5,134,436	\$10,737,525	\$1,089,937	\$6,989,178	\$18,816,640	\$13,682,204
23	Village of Palos Park	\$4,955,967	\$3,097,191	\$0	\$1,281,316	\$4,378,507	(\$577,460)
66	Village of Park Forest	\$34,320,911	\$28,100,765	\$5,223,784	\$21,132,302	\$54,456,851	\$20,135,940
65	City of Park Ridge	\$30,320,596	\$48,768,537	\$5,326,139	\$8,447,648	\$62,542,324	\$32,221,728
4	Village of Phoenix	\$4,866,328	\$0	\$0	\$1,802,511	\$1,802,511	(\$3,063,817)
39	Village of Posen	\$1,441,412	\$1,786,641	\$181,639	\$917,390	\$2,885,670	\$1,444,258
1	City of Prospect Heights	\$55,940,755	\$7,438,140	\$3,205,477	\$10,156,643	\$20,800,260	(\$35,140,495)
28	Village of Richton Park	\$10,154,641	\$7,433,872	\$304,103	\$3,604,022	\$11,341,997	\$1,187,356
101	Village of River Forest	\$12,439,493	\$23,037,841	\$5,658,441	\$5,065,279	\$33,761,561	\$21,322,068
97	Village of River Grove	\$10,038,460	\$11,606,307	\$1,085,760	\$18,007,086	\$30,699,153	\$20,660,693
93	Village of Riverdale	\$4,532,536	\$17,570,555	\$0	\$7,612,893	\$25,183,448	\$20,650,912
26	Village of Riverside	\$18,145,414	\$10,120,718	\$0	\$8,216,578	\$18,337,296	\$191,882
#N/A	Village of Robbins	\$0	\$0	\$0	\$0	\$0	\$0
107	City of Rolling Meadows	\$25,605,911	\$65,291,399	\$5,722,184	\$17,970,320	\$88,983,903	\$63,377,992
36	Village of Roselle	\$19,085,726	\$13,230,069	\$306,517	\$11,783,345	\$25,319,931	\$6,234,205
124	Village of Rosemont	\$85,467,584	\$27,172,081	\$47,667,913	\$160,081,333	\$234,921,327	\$149,453,743
109	Village of Sauk Village	\$19,172,625	\$5,249,141	\$0	\$39,259,878	\$44,509,019	\$25,336,394
50	Village of Schaumburg	\$118,091,850	\$93,722,399	\$11,543,799	\$54,168,097	\$159,434,295	\$41,342,445
118	Village of Schiller Park	\$17,673,555	\$25,908,977	\$9,564,059	\$32,798,608	\$68,271,644	\$50,598,089
70	Village of Skokie	\$62,500,789	\$62,107,000	\$5,711,195	\$53,732,417	\$121,550,612	\$59,049,823
37	Village of South Barrington	\$7,253,709	\$5,375,591	\$37,115	\$2,979,545	\$8,392,251	\$1,138,542
#N/A	Village of South Chicago Heights	\$0	\$0	\$0	\$0	\$0	\$0
83	Village of South Holland	\$19,164,435	\$17,616,051	\$10,914,404	\$18,927,506	\$47,457,961	\$28,293,526

18	Village of Steger	\$6,595,598	\$1,984,143	\$0	\$2,165,505	\$4,149,648	(\$2,445,950)
73	Village of Stickney	\$6,027,719	\$8,162,510	\$2,681,422	\$2,847,418	\$13,691,350	\$7,663,631
121	Village of Stone Park	\$4,890,809	\$10,759,781	\$0	\$11,705,086	\$22,464,867	\$17,574,058
47	Village of Streamwood	\$33,481,704	\$28,095,069	\$6,370,530	\$15,623,483	\$50,089,082	\$16,607,378
116	Village of Summit	\$5,554,770	\$17,931,570	\$18,975,326	\$5,968,148	\$42,875,044	\$37,320,274
21	Village of Thornton	\$2,586,046	\$498,436	\$283,623	\$1,424,031	\$2,206,090	(\$379,956)
17	Village of Tinley Park	\$102,557,006	\$28,804,403	\$14,285,906	\$44,699,149	\$87,789,458	(\$14,767,548)
35	Village of University Park	\$9,095,870	\$1,852,113	\$0	\$8,901,043	\$10,753,156	\$1,657,286
43	Village of Westchester	\$14,998,129	\$14,261,332	\$563,320	\$7,695,934	\$22,520,586	\$7,522,457
56	Village of Western Springs	\$17,555,985	\$10,837,108	\$696,380	\$13,524,676	\$25,058,164	\$7,502,179
20	Village of Wheeling	\$102,899,754	\$30,338,519	\$15,077,788	\$49,947,781	\$95,364,088	(\$7,535,666)
113	Village of Willow Springs	\$4,894,714	\$4,743,123	\$203,433	\$20,594,191	\$25,540,747	\$20,646,033
82	Village of Wilmette	\$35,487,262	\$43,355,868	\$1,892,956	\$27,059,096	\$72,307,920	\$36,820,658
38	Village of Winnetka	\$53,854,038	\$33,857,564	\$7,853,132	\$15,396,620	\$57,107,316	\$3,253,278
55	Village of Worth	\$3,616,778	\$8,052,587	\$0	\$2,568,702	\$10,621,289	\$7,004,511
	<b>Total Municipalities</b>	<b>\$3,614,694,228</b>	<b>\$3,081,868,902</b>	<b>\$708,625,803</b>	<b>\$2,723,448,876</b>	<b>\$6,513,943,581</b>	<b>\$2,899,249,353</b>

**EDUCATION DISTRICTS**

	Taxing District Name	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
	Berwyn Cicero Stickney High School 201	\$64,892,866	\$9,345,640	\$23,240,577	\$92,878,212	\$125,464,429	\$60,571,563
	Bloom Township High School 206 Chicago Heights	\$29,675,739	\$3,903,513	\$0	\$18,876,372	\$22,779,885	(\$6,895,854)
	Combined School Dist Cc 113A Lemont	\$12,472,349	\$1,350,833	\$1,806,943	\$14,342,806	\$17,500,582	\$5,028,233
	Community High School 212 Franklin Park	\$139,594,180	\$0	\$0	\$49,542,758	\$49,542,758	(\$90,051,422)
	Community High School 228 Midlothian	\$75,236,901	\$4,524,220	\$628,482	\$33,360,973	\$38,513,675	(\$36,723,226)
	Community Unit School District 205 Elmhurst	\$81,483,407	\$8,087,975	\$11,039,152	\$50,607,576	\$69,734,703	(\$11,748,704)
#N/A	Community Unit School District 205 South Holland	\$0	\$0	\$0	\$0	\$0	\$0
	Community Unit School District 220 Barrington	\$103,069,994	\$6,482,809	\$1,370,316	\$68,731,192	\$76,584,317	(\$26,485,677)

	<b>Consolidated High School 230 Orland Park</b>	<b>\$53,197,464</b>	\$10,537,985	\$14,074,680	(\$145,905)	<b>\$24,466,760</b>	<b>(\$28,730,704)</b>
	<b>Dupage College Dist 502 Glen Ellyn Classes In Roselle, Burr Ridge</b>	<b>\$250,724,492</b>	\$0	\$12,013,103	\$125,994,248	<b>\$138,007,351</b>	<b>(\$112,717,141)</b>
	<b>Elgin College District 509</b>	<b>\$162,554,222</b>	\$0	\$0	\$121,118,649	<b>\$121,118,649</b>	<b>(\$41,435,573)</b>
	<b>Evanston Township High School 202</b>	<b>\$60,062,167</b>	\$6,729,614	\$1,427,292	\$35,350,913	<b>\$43,507,819</b>	<b>(\$16,554,348)</b>
	<b>Harper College Dist 512 Palatine</b>	<b>\$290,526,834</b>	\$0	\$15,063,432	\$215,632,478	<b>\$230,695,910</b>	<b>(\$59,830,924)</b>
	<b>High School District 200 Oak Park</b>	<b>\$143,018,230</b>	\$6,653,940	\$9,098,114	\$38,891,380	<b>\$54,643,434</b>	<b>(\$88,374,796)</b>
	<b>High School District 208 Riverside</b>	<b>\$17,626,109</b>	\$587,893	\$478,677	\$16,417,448	<b>\$17,484,018</b>	<b>(\$142,091)</b>
	<b>High School District 209</b>	<b>\$50,706,154</b>	\$5,186,355	\$881,510	\$42,024,326	<b>\$48,092,191</b>	<b>(\$2,613,963)</b>
	<b>High School District 214 Arlington Hts</b>	<b>\$235,188,941</b>	\$24,919,955	\$27,907,300	\$134,377,293	<b>\$187,204,548</b>	<b>(\$47,984,393)</b>
	<b>High School District 217 Summit</b>	<b>\$47,660,936</b>	\$2,051,064	\$0	\$23,341,358	<b>\$25,392,422</b>	<b>(\$22,268,514)</b>
	<b>High School District 218 Oak Lawn</b>	<b>\$112,501,622</b>	\$4,686,956	\$12,338,927	\$59,114,298	<b>\$76,140,181</b>	<b>(\$36,361,441)</b>
	<b>High School District 219 Skokie</b>	<b>\$175,578,999</b>	\$11,479,581	\$825,563	\$107,138,731	<b>\$119,443,875</b>	<b>(\$56,135,124)</b>
	<b>High School District 220 Burbank</b>	<b>\$36,345,770</b>	\$2,600,188	\$0	\$14,537,575	<b>\$17,137,763</b>	<b>(\$19,208,007)</b>
	<b>High School District 225 Glenview</b>	<b>\$127,941,188</b>	\$6,588,776	\$13,321,459	\$76,108,272	<b>\$96,018,507</b>	<b>(\$31,922,681)</b>
	<b>High School District 229 Oak Lawn</b>	<b>\$4,640,456</b>	\$2,110,177	\$1,429,253	\$5,285,851	<b>\$8,825,281</b>	<b>\$4,184,825</b>
	<b>High School District 231 Evergreen Park</b>	<b>\$14,856,958</b>	\$662,881	\$0	\$46,407	<b>\$709,288</b>	<b>(\$14,147,670)</b>
	<b>High School District 233 Flossmoor</b>	<b>\$32,883,731</b>	\$2,588,184	\$0	(\$7,605,519)	<b>(\$5,017,335)</b>	<b>(\$37,901,066)</b>
	<b>High School District 234 Norridge</b>	<b>\$21,457,826</b>	(\$186,151)	\$0	\$14,108,678	<b>\$13,922,527</b>	<b>(\$7,535,299)</b>
	<b>Hinsdale Township High School 86</b>	<b>\$84,006,804</b>	\$3,946,082	\$19,200,635	\$39,073,288	<b>\$62,220,005</b>	<b>(\$21,786,799)</b>
	<b>Joliet Community College Dist Campus In Frankfort</b>	<b>\$171,760,821</b>	\$0	\$0	\$133,846,153	<b>\$133,846,153</b>	<b>(\$37,914,668)</b>
	<b>Lemont High School Dist 210</b>	<b>\$13,551,053</b>	\$1,528,633	\$2,195,494	(\$473,496)	<b>\$3,250,631</b>	<b>(\$10,300,422)</b>
	<b>Lincolnway High School 210</b>	<b>(\$25,723,120)</b>	\$7,937,669	\$286,514	(\$44,699,265)	<b>(\$36,475,082)</b>	<b>(\$10,751,962)</b>

	Lyons Twn High School 204	\$63,569,439	\$7,464,430	\$5,919,716	\$30,019,702	\$43,403,848	(\$20,165,591)
	Maine Township High School 207 Park Ridge	\$116,820,074	\$7,454,146	\$12,185,627	\$61,939,074	\$81,578,847	(\$35,241,227)
	Moraine Valley Comm Coll Dist 524 Palos Hills	\$102,256,973	\$0	\$0	\$34,785,373	\$34,785,373	(\$67,471,600)
	Morton College Dist 527 Cicero	\$19,409,679	\$0	\$220,106	\$9,961,490	\$10,181,596	(\$9,228,083)
	New Trier Township High School 203 Northfield	\$115,127,045	\$3,519,064	\$8,243,765	\$53,125,933	\$64,888,762	(\$50,238,283)
	Oakton College District Skokie Desplaines	\$194,520,476	\$0	\$3,990,361	\$112,139,016	\$116,129,377	(\$78,391,099)
	Palatine Township High School 211	\$221,187,256	\$25,065,496	\$39,241,983	\$107,264,361	\$171,571,840	(\$49,615,416)
	Prairie State Comm College District 515 Chicago Heights	\$15,458,579	\$0	\$0	\$10,536,795	\$10,536,795	(\$4,921,784)
	Rich Township High School 227 Olympia Fields	\$159,116,472	\$4,103,596	\$0	\$114,130,383	\$118,233,979	(\$40,882,493)
	Sch District 35 Glencoe	\$36,002,080	\$724,570	\$1,866,813	\$19,649,849	\$22,241,232	(\$13,760,848)
	Sch District 36 - Winnetka	\$114,377,769	\$1,367,346	\$823,370	\$114,054,664	\$116,245,380	\$1,867,611
	Sch District 37 Wilmette	\$15,303,756	\$171,074	\$146,641	\$12,910,795	\$13,228,510	(\$2,075,246)
	Sch District 38 Kenilworth	\$12,348,958	\$232,758	\$259,514	\$1,040,000	\$1,532,272	(\$10,816,686)
	Sch District 39 Wilmette	\$45,531,941	\$2,797,138	\$7,332,418	\$29,899,856	\$40,029,412	(\$5,502,529)
	School Dist 21 Wheeling Comm Consolidated	\$59,107,323	\$10,508,768	\$3,419,091	\$62,691,273	\$76,619,132	\$17,511,809
	School Dist 23 Prospect Hts	\$9,761,202	\$0	\$0	\$3,732,897	\$3,732,897	(\$6,028,305)
	School District 101 Western Springs	\$14,087,032	\$1,173,670	\$0	\$7,520,151	\$8,693,821	(\$5,393,211)
	School District 102 Lagrange Park	\$29,650,623	\$2,120,002	\$928,875	\$24,570,228	\$27,619,105	(\$2,031,518)
	School District 103 Lyons	\$22,020,588	\$2,129,316	\$2,293,297	\$12,823,298	\$17,245,911	(\$4,774,677)
	School District 105 Lagrange	\$31,243,805	\$1,314,440	\$0	\$21,873,895	\$23,188,335	(\$8,055,470)
	School District 106 Lagrange Highlands	\$14,440,837	\$1,269,415	\$0	\$6,476,200	\$7,745,615	(\$6,695,222)
	School District 107 Burr Ridge	\$12,201,435	\$608,057	\$0	\$5,646,198	\$6,254,255	(\$5,947,180)
	School District 109 Indian Springs Justice	\$33,344,076	\$2,146,802	\$739,629	\$16,460,839	\$19,347,270	(\$13,996,806)
	School District 110 Central Stickney	(\$6,356,455)	\$55,803	\$0	(\$11,784,294)	(\$11,728,491)	(\$5,372,036)
	School District 111 Burbank	\$39,403,837	\$3,171,075	\$0	\$12,876,907	\$16,047,982	(\$23,355,855)

School District 117 Palos Hills	\$37,648,563	\$2,711,363	\$0	\$664,028	\$3,375,391	(\$34,273,172)
School District 122 Oak Lawn	\$16,674,175	\$1,426,847	\$2,926,428	\$19,167,688	\$23,520,963	\$6,846,788
School District 144 Markham	\$32,589,587	\$1,993,669	\$1,526,211	\$23,157,794	\$26,677,674	(\$5,911,913)
School District 147 Harvey Dixmoor	\$33,917,187	\$1,583,715	\$0	\$20,429,625	\$22,013,340	(\$11,903,847)
School District 151 South Holland	\$22,767,787	(\$193,255)	\$0	\$9,809,238	\$9,615,983	(\$13,151,804)
School District 152 Harvey	\$21,487,068	\$1,830,649	\$0	\$2,970,698	\$4,801,347	(\$16,685,721)
School District 167 Glenwood	\$22,485,020	\$692,497	\$0	\$7,190,249	\$7,882,746	(\$14,602,274)
School District 169 Ford Heights	\$7,783,557	(\$22,798)	\$14,371	\$5,374,259	\$5,365,832	(\$2,417,725)
School District 170 Chicago Heights	\$40,764,145	\$3,260,180	\$0	\$14,581,128	\$17,841,308	(\$22,922,837)
School District 171 Lansing	\$27,558,856	\$904,349	\$0	\$17,619,782	\$18,524,131	(\$9,034,725)
School District 172 Chicago Heights	\$4,599,204	\$82,589	\$0	\$2,989,338	\$3,071,927	(\$1,527,277)
School District 194 Steger	\$17,280,500	\$967,466	\$0	\$4,651,945	\$5,619,411	(\$11,661,089)
School District 26 Mount Prospect	\$29,063,433	\$2,277,214	\$1,917,202	\$17,112,072	\$21,306,488	(\$7,756,945)
School District 27 Northbrook	\$21,780,966	\$1,145,147	\$1,995,091	\$10,960,643	\$14,100,881	(\$7,680,085)
School District 28 Northbrook	\$43,971,286	\$4,654,521	\$1,936,219	\$15,120,874	\$21,711,614	(\$22,259,672)
School District 30 Northbrook	\$22,284,997	\$915,131	\$570,047	\$10,222,364	\$11,707,542	(\$10,577,455)
School District 31 Northbrook	\$13,633,776	\$711,725	\$0	\$8,822,049	\$9,533,774	(\$4,100,002)
School District 57 Mt Prospect	\$21,378,706	\$1,275,334	\$175,550	\$10,701,460	\$12,152,344	(\$9,226,362)
School District 63 Des Plaines	\$42,379,711	\$2,573,749	\$76,036	\$19,476,998	\$22,126,783	(\$20,252,928)
School District 78 Rosemont	\$779,253	\$196,578	\$0	(\$1,280)	\$195,298	(\$583,955)
School District 79 Norridge	\$3,724,195	\$107,208	\$0	\$1,680,032	\$1,787,240	(\$1,936,955)
School District 81 Schiller Park	\$18,240,990	\$745,646	\$40,580	\$9,051,930	\$9,838,156	(\$8,402,834)
School District 83 Franklin Park	\$60,031,358	\$4,192,976	\$0	\$42,055,538	\$46,248,514	(\$13,782,844)
School District 84 1/2 River Grove	\$4,857,177	\$1,394,930	\$600,792	\$4,956,870	\$6,952,592	\$2,095,415

	School District 84 Franklin Park	\$9,580,721	\$1,464,528	\$1,561,113	\$1,180,992	\$4,206,633	(\$5,374,088)
	School District 85 1/2 River Grove	\$5,036,732	\$359,310	\$0	\$4,788,524	\$5,147,834	\$111,102
	School District 99 Cicero	\$206,596,695	\$7,842,747	\$4,440,890	\$61,455,033	\$73,738,670	(\$132,858,025)
#N/A	School District 100 Berwyn	\$0	\$0	\$0	\$0	\$0	\$0
	School District 104 Summit	\$17,382,065	\$1,488,526	\$0	\$19,493,597	\$20,982,123	\$3,600,058
	School District 123 Oak Lawn	\$18,103,481	\$3,207,350	\$2,877,000	\$28,490,321	\$34,574,671	\$16,471,190
	School District 124 Evergreen Park	\$23,518,659	\$1,536,764	\$1,937,691	\$11,876,565	\$15,351,020	(\$8,167,639)
	School District 125 Alsip	\$2,091,811	\$370,700	\$1,056,694	\$3,190,495	\$4,617,889	\$2,526,078
	School District 126 Alsip	\$23,226,203	\$1,974,404	\$1,035,303	(\$340,620)	\$2,669,087	(\$20,557,116)
	School District 127 1/2 Chicago Ridge	\$9,084,570	\$499,518	\$143,845	\$0	\$643,363	(\$8,441,207)
	School District 127 Worth	\$4,606,550	\$723,196	\$143,103	\$5,148,523	\$6,014,822	\$1,408,272
	School District 128 Palos Heights	\$1,787,835	\$954,625	\$92,391	\$531,636	\$1,578,652	(\$209,183)
	School District 130 Blue Island	\$2,537,590	\$2,592,151	\$9,145,809	(\$129,020)	\$11,608,940	\$9,071,350
	School District 132 Calumet Park	\$15,469,327	(\$91,669)	\$0	\$5,100,341	\$5,008,672	(\$10,460,655)
	School District 133 Riverdale	\$9,163,302	\$5,715	\$0	\$6,952,342	\$6,958,057	(\$2,205,245)
	School District 135 Orland Park	\$62,904,434	\$7,968,445	\$1,861,019	\$54,130,335	\$63,959,799	\$1,055,365
	School District 140 Tinley Park	\$73,791,654	\$3,664,999	\$8,448,115	\$24,418,866	\$36,531,980	(\$37,259,674)
	School District 142 Forest Ridge Oak Forest	\$18,847,973	\$1,175,635	\$1,295,229	\$12,314,496	\$14,785,360	(\$4,062,613)
	School District 143 1/2 Posen Robbins	\$5,459,572	\$353,002	\$0	\$1,710,952	\$2,063,954	(\$3,395,618)
	School District 143 Midlothian	\$7,997,064	\$1,407,675	\$0	(\$85,604)	\$1,322,071	(\$6,674,993)
	School District 145 Arbor Park Oak Forest	\$35,863,502	\$1,624,364	\$5,993,963	\$27,448,961	\$35,067,288	(\$796,214)
	School District 148 Dolton Riverdale	\$45,963,555	\$1,002,391	\$11,233,790	\$34,731,984	\$46,968,165	\$1,004,610
	School District 149 Dolton / Calumet City	\$29,769,520	\$0	\$0	\$15,620,809	\$15,620,809	(\$14,148,711)
	School District 150 South Holland	\$13,091,774	\$517,109	\$0	\$5,219,086	\$5,736,195	(\$7,355,579)

	School District 152 1/2 Hazel Crest	\$14,394,851	\$106,186	\$0	\$3,681,103	\$3,787,289	(\$10,607,562)
	School District 153 Homewood	\$31,241,896	\$2,508,884	\$1,038,164	\$15,715,758	\$19,262,806	(\$11,979,090)
	School District 154 1/2 Burnham	\$1,783,448	\$79,354	\$0	\$409,693	\$489,047	(\$1,294,401)
	School District 154 Thornton	\$5,900,028	\$70,365	\$0	\$4,063,524	\$4,133,889	(\$1,766,139)
	School District 155 Calumet City	\$31,241,054	\$1,161,930	\$0	\$25,055,005	\$26,216,935	(\$5,024,119)
	School District 156 Calumet City	\$11,670,727	\$357,351	\$571,817	\$4,812,495	\$5,741,663	(\$5,929,064)
	School District 157 Calumet City	\$3,487,288	\$479,137	\$0	(\$19,194)	\$459,943	(\$3,027,345)
	School District 157-C Frankfort	\$39,292,043	\$1,101,875	\$0	\$22,181,062	\$23,282,937	(\$16,009,106)
	School District 158 Lansing	\$23,606,853	\$1,650,698	\$2,751,618	(\$58,685)	\$4,343,631	(\$19,263,222)
	School District 159 Matteson	\$8,811,867	\$1,120,404	\$0	\$514,032	\$1,634,436	(\$7,177,431)
	School District 160 Country Club Hills	\$9,695,192	\$502,989	\$0	\$6,772,910	\$7,275,899	(\$2,419,293)
	School District 161 Chicago Heights	\$32,264,355	\$1,051,792	\$298,118	\$1,424,658	\$2,774,568	(\$29,489,787)
	School District 162 Matteson	\$16,924,052	\$1,686,806	\$0	\$20,362,546	\$22,049,352	\$5,125,300
	School District 163 Park Forest	\$54,170,888	\$784,779	\$0	\$29,370,766	\$30,155,545	(\$24,015,343)
	School District 25 Arlington Heights	\$138,203,164	\$4,674,653	\$116,704	\$94,243,078	\$99,034,435	(\$39,168,729)
	School District 29 Glenview	\$18,078,081	\$111,029	\$44,827	\$7,465,526	\$7,621,382	(\$10,456,699)
	School District 46 Elgin	\$244,806,897	\$38,887,446	\$28,990,310	\$344,619,711	\$412,497,467	\$167,690,570
	School District 67 Morton Grove	\$1,021,756	\$501,197	\$0	\$4,255,470	\$4,756,667	\$3,734,911
	School District 68 Skokie	\$40,703,329	\$1,938,404	\$2,454,698	\$15,631,091	\$20,024,193	(\$20,679,136)
	School District 69 Skokie	\$2,050,008	\$427,089	\$0	\$2,565,428	\$2,992,517	\$942,509
	School District 70 Morton Grove	\$19,989,618	\$726,125	\$0	\$6,771,214	\$7,497,339	(\$12,492,279)
	School District 71 Niles	\$13,280,995	\$0	\$0	\$7,893,059	\$7,893,059	(\$5,387,936)
	School District 72 Skokie	\$28,237,151	\$620,847	\$0	\$7,448,518	\$8,069,365	(\$20,167,786)
	School District 73 1/2 Skokie	\$39,678,246	\$1,380,924	\$0	\$16,828,398	\$18,209,322	(\$21,468,924)
	School District 73 Skokie	\$8,065,262	\$263,616	\$0	\$2,124,874	\$2,388,490	(\$5,676,772)
	School District 74 Lincolnwood	\$27,001,396	\$1,552,070	\$4,552,504	\$26,190,775	\$32,295,349	\$5,293,953
	School District 80 Norridge	\$16,771,302	\$0	\$0	\$5,859,609	\$5,859,609	(\$10,911,693)

School District 86 Harwood Heights	\$1,589,584	\$903,964	\$0	\$1,581,086	\$2,485,050	\$895,466
School District 87 Berkeley	\$27,919,923	\$2,280,677	\$1,232,000	\$14,693,602	\$18,206,279	(\$9,713,644)
School District 88 Bellwood	\$1,967,716	\$3,220,529	\$5,172,763	\$7,648,172	\$16,041,464	\$14,073,748
School District 89 Maywood Melrose Park Broadview	\$20,007,786	\$3,504,707	\$5,256,050	\$28,839,046	\$37,599,803	\$17,592,017
School District 90 River Forest	\$24,358,135	\$967,642	\$423,154	\$15,162,706	\$16,553,502	(\$7,804,633)
School District 91 Forest Park	\$26,995,606	\$1,355,497	\$184,260	\$3,333,062	\$4,872,819	(\$22,122,787)
School District 92 1/2 Westchester	\$7,738,438	\$598,382	\$0	\$2,708,532	\$3,306,914	(\$4,431,524)
School District 92 Broadview	\$7,027,410	\$368,479	\$0	\$2,945,066	\$3,313,545	(\$3,713,865)
School District 93 Hillside	\$11,731,743	\$623,888	\$0	\$5,075,497	\$5,699,385	(\$6,032,358)
School District 94 North Riverside	\$4,557,269	\$312,692	\$151,778	\$4,259,191	\$4,723,661	\$166,392
School District 95 Brookfield Lagrange	\$9,710,380	\$1,050,757	\$1,993,806	\$8,278,245	\$11,322,808	\$1,612,428
School District 96 Riverside	\$31,144,524	\$0	\$0	\$325,257	\$325,257	(\$30,819,267)
School District 97 Oak Park	\$47,039,815	\$5,282,652	\$8,595,272	\$27,439,715	\$41,317,639	(\$5,722,176)
School District 98 Berwyn	\$59,056,083	\$1,602,454	\$454,774	\$23,897,772	\$25,955,000	(\$33,101,083)
School District C C 108 Willow Springs	\$5,071,944	\$203,528	\$0	\$2,089,422	\$2,292,950	(\$2,778,994)
School District C C 146 Tinley Park	\$42,757,920	\$3,024,641	\$2,066,343	\$15,673,648	\$20,764,632	(\$21,993,288)
School District C C 15 Palatine	\$103,821,599	\$14,392,895	\$25,986,689	\$88,110,298	\$128,489,882	\$24,668,283
School District C C 168 Sauk Village	\$23,343,060	\$456,198	\$474,597	\$9,925,564	\$10,856,359	(\$12,486,701)
School District C C 181 Hinsdale Westmont	\$50,442,321	\$3,578,126	\$4,000,577	\$31,832,926	\$39,411,629	(\$11,030,692)
School District C C 54 Schaumburg	\$206,351,416	\$19,756,359	\$4,874,805	\$111,824,814	\$136,455,978	(\$69,895,438)
School District C C 59 Arlington Heights	\$163,452,758	\$7,632,844	\$3,091,846	\$51,886,447	\$62,611,137	(\$100,841,621)
School District C C 62 Des Plaines	\$238,969,548	\$0	\$0	\$120,314,549	\$120,314,549	(\$118,654,999)
School District C C 64 Park Ridge Niles	\$70,322,393	\$5,968,882	\$4,802,303	\$33,503,161	\$44,274,346	(\$26,048,047)
School District C C 65 Evanston	\$17,135,697	\$4,437,699	\$220,500	\$11,164,977	\$15,823,176	(\$1,312,521)

	School District C C 180 Burr Ridge	\$2,806,400	\$376,822	\$0	\$17,377	\$394,199	(\$2,412,201)
	School District Cc 118 Palos Park	\$30,550,542	\$2,346,259	\$722,333	\$12,849,898	\$15,918,490	(\$14,632,052)
	School District CC 34 Des Plaines	\$48,537,623	\$4,544,283	\$6,700,351	\$24,199,999	\$35,444,633	(\$13,092,990)
	School District Unit 300 Carpentersville	\$150,654,725	\$11,367,522	\$0	\$190,307,622	\$201,675,144	\$51,020,419
	School District Unit 401 Elmwood Park	\$19,644,552	\$1,361,904	\$2,818,005	\$25,323,688	\$29,503,597	\$9,859,045
	South Suburban College District South Holland	\$22,922,770	\$0	\$0	\$19,456,069	\$19,456,069	(\$3,466,701)
	Thornt.Fr.High School 215 Calumet City	\$38,516,759	\$2,863,112	\$356,704	\$18,260,301	\$21,480,117	(\$17,036,642)
	Thornton High School 205	\$19,608,566	\$4,217,518	\$0	\$42,752,777	\$46,970,295	\$27,361,729
	Triton Comm Coll Distr 504 River Grove	\$43,024,862	\$0	\$1,950,792	\$19,548,206	\$21,498,998	(\$21,525,864)
	<b>Total Education Districts</b>	<b>\$7,748,135,593</b>	<b>\$460,117,508</b>	<b>\$441,631,573</b>	<b>\$4,605,592,985</b>	<b>\$5,507,342,066</b>	<b>(\$2,240,793,527)</b>

**LIBRARY DISTRICTS**

	Taxing District Name	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
	Acorn Public Library Dist Oak Forest	\$1,289,149	\$619,604	\$0	\$818	\$620,422	(\$668,727)
	Alsip-Merrionette Park Public Library Dist	\$12,683,514	\$670,329	\$0	\$4,741,863	\$5,412,192	(\$7,271,322)
	Barrington Library Dist	\$5,502,282	\$2,422,822	\$0	(\$20,534)	\$2,402,288	(\$3,099,994)
	Bartlett Public Library	\$2,058,945	\$1,070,778	\$25,893	\$1,268,540	\$2,365,211	\$306,266
	Bedford Park Public Library Dist	\$547,959	\$503,158	\$0	(\$7,775)	\$495,383	(\$52,576)
	Bensenville Community Public Library	\$664,936	\$620,349	\$0	(\$3,262)	\$617,087	(\$47,849)
	Broadview Public Library Dist	\$3,737,677	\$253,768	\$0	\$694,659	\$948,427	(\$2,789,250)
	Crestwood Library District	\$1,158,516	\$0	\$0	\$14,228	\$14,228	(\$1,144,288)
#N/A	Dixmoor Library District	\$0	\$0	\$0	\$0	\$0	\$0
	Dolton Public Library Dist	\$2,116,119	\$416,119	\$0	\$692,586	\$1,108,705	(\$1,007,414)
	East Hazelcrest Library	\$72,894	\$0	\$0	\$0	\$0	(\$72,894)

	Eisenhower Public Library Dist Harwood Heights	\$3,916,603	\$178,156	\$0	\$154,258	\$332,414	(\$3,584,189)
#N/A	Ford Heights Public Library Dist	\$0	\$0	\$0	\$0	\$0	\$0
	Frankfort Public Library District	\$2,671,683	\$592,775	\$0	\$48,459	\$641,234	(\$2,030,449)
	Franklin Park Library Dist	\$1,884,170	\$0	\$0	\$3,155	\$3,155	(\$1,881,015)
	Gail Borden Library Dist (Elgin)	\$36,917,037	\$4,327,821	\$0	\$23,681,546	\$28,009,367	(\$8,907,670)
	Glenwood Lynwood Library	\$5,002,251	\$208,635	\$0	\$3,238,927	\$3,447,562	(\$1,554,689)
	Grande Prairie Library (Hazel Crest)	\$2,418,068	\$457,153	\$0	\$764,482	\$1,221,635	(\$1,196,433)
	Green Hills Library Dist (Palos Hills)	\$2,192,089	\$401,808	\$5,609	\$1,329,074	\$1,736,491	(\$455,598)
	Harvey Public Library Dist	\$1,606,745	\$275,857	\$0	\$868,632	\$1,144,489	(\$462,256)
	Hodgkins Public Library District	\$256,931	\$128,359	\$0	(\$16)	\$128,343	(\$128,588)
	Homewood Public Library	\$3,908,803	\$941,919	\$0	(\$304,697)	\$637,222	(\$3,271,581)
	Indian Prairie Library District Darien	\$3,941,174	\$1,308,957	\$0	\$3,271,912	\$4,580,869	\$639,695
	Indian Trails Public Library Dist Wheeling	\$4,279,615	\$1,511,725	\$0	\$0	\$1,511,725	(\$2,767,890)
	Justice Public Library Dist	\$505,883	\$137,318	\$0	\$14,574	\$151,892	(\$353,991)
	Kenilworth Library Dist	\$169,567	\$0	\$0	\$130,816	\$130,816	(\$38,751)
	La Grange Park Public Library Dist	\$2,553,480	\$423,184	\$0	\$1,666,117	\$2,089,301	(\$464,179)
	Lemont Public Library Dist	\$1,107,619	\$453,939	\$0	\$764,285	\$1,218,224	\$110,605
	Lincolnwood Library Dist	\$3,425,737	\$0	\$0	\$987,612	\$987,612	(\$2,438,125)
	Maywood Public Library	\$1,290,318	\$288,332	\$0	\$918,041	\$1,206,373	(\$83,945)
	Mc Cook Public Library District	\$855,708	\$96,101	\$0	\$227,538	\$323,639	(\$532,069)
	Nancy L Mcconathy Public Library Dist Saul Village	\$267,309	\$123,602	\$0	(\$406,411)	(\$282,809)	(\$550,118)
	Niles Public Library Dist	\$12,990,390	\$0	\$0	\$456,830	\$456,830	(\$12,533,560)
	North Riverside Library Dist	\$884,715	\$0	\$0	\$552,370	\$552,370	(\$332,345)
	Northfield Park District	\$1,181,080	\$88,922	\$0	\$759,009	\$847,931	(\$333,149)
	Northlake Public Library	\$2,098,916	\$508,899	\$0	\$1,261,545	\$1,770,444	(\$328,472)
	Orland Hills Library District	\$305,518	\$0	\$0	\$83,305	\$83,305	(\$222,213)
	Palatine Public Library	\$9,231,905	\$1,782,129	\$45,355	\$2,282,890	\$4,110,374	(\$5,121,531)
	Phoenix Library District	\$256,112	\$0	\$0	\$0	\$0	(\$256,112)

	Poplar Creek Public Library District Streamwood	\$6,607,045	\$1,365,699	\$0	\$575,282	\$1,940,981	(\$4,666,064)
#N/A	Posen Public Library Dist	\$0	\$0	\$0	\$0	\$0	\$0
	Prairie Trails Public Library District Burbank	\$2,287,408	\$435,443	\$0	\$62,204	\$497,647	(\$1,789,761)
	Prospect Heights Public Library District	\$5,798,967	\$522,395	\$0	\$179,972	\$702,367	(\$5,096,600)
	Richton Park Public Library District	\$2,272,765	\$528,551	\$0	\$408,708	\$937,259	(\$1,335,506)
	River Grove Pub Lib Dist	\$736,740	\$170,355	\$0	\$31,410	\$201,765	(\$534,975)
	Riverdale Public Library	\$759,131	\$67,919	\$0	(\$753,425)	(\$685,506)	(\$1,444,637)
	Roselle Public Library	\$2,631,282	\$870,286	\$0	\$1,780,252	\$2,650,538	\$19,256
	Schaumburg Twp Library	\$18,434,272	\$0	\$0	\$7,957,522	\$7,957,522	(\$10,476,750)
	Steger-S.Chic.Hts. Library	\$425,073	\$241,081	\$0	\$385,679	\$626,760	\$201,687
	Stickney Forest View Pub Library Dist	\$2,178,215	\$385,573	\$0	\$1,190,945	\$1,576,518	(\$601,697)
	Summit Public Library Dist	\$941,398	\$86,452	\$0	\$1,237,730	\$1,324,182	\$382,784
	Univ Park Public Library	\$718,725	\$210,752	\$0	\$501,664	\$712,416	(\$6,309)
	William Leonard Library (Robbins)	\$149,117	(\$22,862)	\$0	\$175,217	\$152,355	\$3,238
	Wilmette Publ Library Dist	\$6,746,909	\$1,334,168	\$0	(\$20,624)	\$1,313,544	(\$5,433,365)
	Winnetka Library District	\$3,454,285	\$615,475	\$25,542	\$1,794,072	\$2,435,089	(\$1,019,196)
	Worth Public Library Dist	\$1,094,623	\$163,466	\$0	\$382,793	\$546,259	(\$548,364)
	<b>Total Library Districts</b>	<b>\$191,187,372</b>	<b>\$27,787,270</b>	<b>\$102,399</b>	<b>\$66,024,777</b>	<b>\$93,914,446</b>	<b>(\$97,272,926)</b>

#### PARK DISTRICTS

	Taxing District Name	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
	Alsip Park District	\$4,949,337	\$512,728	\$0	\$1,232,116	\$1,744,844	(\$3,204,493)
	Arlington Hts Park Dist	\$21,118,375	\$7,619,350	\$71,910	\$17,944,557	\$25,635,817	\$4,517,442
#N/A	Barr.Countryside Park Dist	\$0	\$0	\$0	\$0	\$0	\$0
	Barrington Park District	\$6,917,381	\$688,798	\$0	\$4,444,979	\$5,133,777	(\$1,783,604)
	Bartlett Park District	\$24,836,709	\$1,681,501	\$0	\$20,008,617	\$21,690,118	(\$3,146,591)
	Bedford Park Park District	\$2,021,688	\$483,588	\$0	\$1,543,120	\$2,026,708	\$5,020
	Bensenville Park District	\$8,752,197	\$1,618,831	\$0	\$1,394,001	\$3,012,832	(\$5,739,365)
	Berkeley Park District	\$236,916	\$0	\$0	\$91,173	\$91,173	(\$145,743)

Berwyn Park District	\$1,991,565	\$107,189	\$0	\$1,895,240	\$2,002,429	\$10,864
Blue Island Park District	\$2,300,660	\$111,675	\$0	\$245,918	\$357,593	(\$1,943,067)
Bridgeview Park District	\$4,769,220	\$306,708	\$0	\$3,393,603	\$3,700,311	(\$1,068,909)
Broadview Park District	\$597,508	(\$153,874)	\$0	\$109,176	(\$44,698)	(\$642,206)
Buffalo Grove Park Dist	\$10,568,942	\$3,764,024	\$268,117	\$5,824,359	\$9,856,500	(\$712,442)
Burbank Park District	\$4,377,403	\$66,140	\$0	\$90,025	\$156,165	(\$4,221,238)
Burr Ridge Park District	\$2,692,247	\$0	\$0	\$0	\$0	(\$2,692,247)
Calumet Memorial Park Dist	\$1,798,905	\$918,829	\$0	\$6,873	\$925,702	(\$873,203)
Central Stickney Park Dist	\$1,100,480	\$127,730	\$0	\$38,350	\$166,080	(\$934,400)
Chicago Heights Park Dist	\$4,141,988	\$382,761	\$9,748	\$4,233,740	\$4,626,249	\$484,261
Chicago Ridge Park Dist	\$1,239,214	\$100,345	\$0	\$22,500	\$122,845	(\$1,116,369)
Clyde Park District	\$3,717,289	\$494,782	\$0	\$1,999,133	\$2,493,915	(\$1,223,374)
Country Club Hills Park District	\$4,562,236	\$0	\$0	\$4,562,236	\$4,562,236	\$0
Deerfield Park District	\$13,575,802	\$1,906,632	\$32,222	\$3,949,695	\$5,888,549	(\$7,687,253)
Des Plaines Park District	\$10,953,273	\$3,040,463	\$105,420	\$5,872,533	\$9,018,416	(\$1,934,857)
Dolton Park District	\$1,170,214	\$78,892	\$0	\$1,024,494	\$1,103,386	(\$66,828)
Dundee Twn Park District	\$9,320,718	\$2,258,358	\$0	(\$4,517,128)	(\$2,258,770)	(\$11,579,488)
Elk Grove Park District	\$24,201,921	\$2,329,210	\$125,768	\$13,774,804	\$16,229,782	(\$7,972,139)
Elmhurst Park District	\$16,749,026	\$2,557,007	\$54,734	\$9,123,788	\$11,735,529	(\$5,013,497)
Forest Park Park District	\$3,606,601	\$661,928	\$0	\$1,817,801	\$2,479,729	(\$1,126,872)
Forest View Park District	\$154,708	\$0	\$0	\$65,663	\$65,663	(\$89,045)
Frankfort Park District	(\$10,531,364)	\$325,808	\$0	(\$10,531,364)	(\$10,205,556)	\$325,808
Frankfort Square Park District	\$605,969	\$0	\$0	\$9,770	\$9,770	(\$596,199)
Franklin Park Park Dist	\$6,135,298	\$440,084	\$0	\$2,366,792	\$2,806,876	(\$3,328,422)
Glencoe Park District	\$9,331,721	\$2,594,221	\$0	\$725,537	\$3,319,758	(\$6,011,963)
Glenview Park District	\$42,065,673	\$4,654,027	\$159,456	\$24,352,457	\$29,165,940	(\$12,899,733)
Golf Maine Park District Niles	\$1,624,118	\$399,219	\$0	\$70,059	\$469,278	(\$1,154,840)
Hanover Park Park District	\$2,734,141	\$916,777	\$0	\$591,589	\$1,508,366	(\$1,225,775)
Harvey Park District	\$6,768,456	\$0	\$0	\$6,687,464	\$6,687,464	(\$80,992)
Hawthorne Park District Cicero	\$789,753	\$0	\$0	\$6,050	\$6,050	(\$783,703)
Hazelcrest Park District	\$2,420,367	\$227,997	\$0	\$79,814	\$307,811	(\$2,112,556)
Hickory Hills Park Dist	\$3,768,275	\$578,894	\$0	\$2,320,203	\$2,899,097	(\$869,178)
Hodgkins Park District	\$289,431	\$278,067	\$0	\$322,173	\$600,240	\$310,809
Hoffman Estates Park Dist	\$44,319,017	\$1,208,418	\$0	\$11,414,535	\$12,622,953	(\$31,696,064)

	Homewood Flossmoor Park District	\$6,744,253	\$3,939,443	\$0	\$4,759,646	\$8,699,089	\$1,954,836
	Inverness Park District	\$737,854	\$0	\$0	\$710,660	\$710,660	(\$27,194)
	Ivanhoe Park District	\$875,114	\$0	\$0	\$5,616	\$5,616	(\$869,498)
#N/A	Justice Park District	\$0	\$0	\$0	\$0	\$0	\$0
17	Kenilworth Park District	\$635,133	\$218,658	\$7,507	\$409,074	\$635,239	\$106
	La Grange Park District	\$3,636,415	\$414,956	\$0	\$3,277,309	\$3,692,265	\$55,850
	Lan-Oak Park District	\$1,350,269	\$177,132	\$0	\$330,308	\$507,440	(\$842,829)
	Lemont Park District	\$5,823,327	\$1,422,507	\$0	\$2,651,915	\$4,074,422	(\$1,748,905)
#N/A	Lighthouse Park District of Evanston	\$0	\$0	\$0	\$0	\$0	\$0
	Markham Park District	(\$817,629)	\$0	\$0	\$631,941	\$631,941	\$1,449,570
	Maywood Park District	(\$691,959)	\$0	\$0	(\$780,012)	(\$780,012)	(\$88,053)
	Mc Cook Park District	\$236,988	(\$137,196)	\$0	\$440,824	\$303,628	\$66,640
	Memorial Park District Bellwood	\$4,216,935	\$902,763	\$0	\$4,535,009	\$5,437,772	\$1,220,837
	Midlothian Park District	\$2,000,555	\$168,342	\$0	\$72,198	\$240,540	(\$1,760,015)
	Mokena Community Park Dist	\$5,031,249	\$466,652	\$0	\$2,337	\$468,989	(\$4,562,260)
	Morton Grove Park Dist	\$5,887,280	\$2,059,580	\$0	\$476,486	\$2,536,066	(\$3,351,214)
	Mt Prospect Park District	\$12,793,124	\$2,731,272	\$0	\$1,174,298	\$3,905,570	(\$8,887,554)
	Niles Park District	\$15,487,053	\$1,303,269	\$0	\$1,053,547	\$2,356,816	(\$13,130,237)
	Norridge Park District	\$4,520,781	\$69,391	\$24,861	\$1,235,029	\$1,329,281	(\$3,191,500)
	North Berwyn Park Dist	\$1,557,351	\$149,377	\$0	\$65,790	\$215,167	(\$1,342,184)
	Northbrook Park District	\$22,663,906	\$2,920,256	\$0	\$13,153,821	\$16,074,077	(\$6,589,829)
	Oak Brook Park District	\$5,942,456	\$711,375	\$0	\$644,306	\$1,355,681	(\$4,586,775)
	Oak Forest Park District	\$1,029,885	\$776,975	\$567,435	\$2,476,154	\$3,820,564	\$2,790,679
	Oak Lawn Park District	\$7,867,975	\$724,966	\$0	\$869,825	\$1,594,791	(\$6,273,184)
	Oak Park Park District	\$11,631,212	\$1,017,487	\$58,785	\$9,165,084	\$10,241,356	(\$1,389,856)
	Olympia Fields Park Dist	\$2,609,131	\$222,924	\$0	\$105,427	\$328,351	(\$2,280,780)
	Palatine Park District	\$31,489,134	\$3,309,453	\$0	\$1,961,587	\$5,271,040	(\$26,218,094)
	Park Dist of Lagrange Park	\$1,856,799	\$214,919	\$0	\$694,507	\$909,426	(\$947,373)
	Park Ridge Recreation And Park Dist	\$12,235,309	\$2,626,485	\$0	\$8,201,670	\$10,828,155	(\$1,407,154)
#N/A	Phoenix Park District	\$0	\$0	\$0	\$0	\$0	\$0
	Pleasantdale Park Dist	\$4,252,463	\$196,968	\$0	\$1,820,838	\$2,017,806	(\$2,234,657)
#N/A	Posen Park District	\$0	\$0	\$0	\$0	\$0	\$0
	Prospect Heights Park Dist	\$3,310,001	\$403,553	\$0	\$2,709,459	\$3,113,012	(\$196,989)

	Ridgeville Park District	\$912,698	\$49,820	\$0	\$65,069	\$114,889	(\$797,809)
	River Forest Park Dist	\$2,103,104	\$121,145	\$0	\$307,829	\$428,974	(\$1,674,130)
	River Trails Park Dist Prospect Heights	\$4,488,684	\$787,727	\$0	\$1,019,408	\$1,807,135	(\$2,681,549)
#N/A	Riverdale Park District	\$0	\$0	\$0	\$0	\$0	\$0
#N/A	Robbins Park District	\$0	\$0	\$0	\$0	\$0	\$0
	Rolling Meadows Park Dist	\$3,019,215	\$2,245,279	\$86,129	\$2,987,917	\$5,319,325	\$2,300,110
	Rosemont Park District	\$796,028	\$497,461	\$0	\$640,923	\$1,138,384	\$342,356
	Salt Creek Rural Park Dist Palatine	\$2,459,066	\$249,927	\$0	\$479,834	\$729,761	(\$1,729,305)
	Schaumburg Park District	\$31,783,343	\$4,758,005	\$0	\$34,240,185	\$38,998,190	\$7,214,847
	Skokie Park District	\$11,313,829	\$3,166,146	\$523,214	\$20,764,582	\$24,453,942	\$13,140,113
	South Barrington Park Dist	\$5,164,318	\$0	\$0	\$273,392	\$273,392	(\$4,890,926)
	Streamwood Park District	\$4,111,137	\$1,073,937	\$0	\$2,622,317	\$3,696,254	(\$414,883)
	Summit Park District	(\$277,005)	\$261,664	\$0	\$22,159	\$283,823	\$560,828
	Tinley Park Park District	\$12,710,948	\$1,190,503	\$261,701	\$726,363	\$2,178,567	(\$10,532,381)
	Veterans Park District Melrose Park	\$8,352,791	\$306,381	\$0	\$6,049,842	\$6,356,223	(\$1,996,568)
	Westchester Park District	\$2,245,346	\$634,942	\$0	\$317,431	\$952,373	(\$1,292,973)
#N/A	Westdale Park DistrictMelrose Park	\$0	\$0	\$0	\$0	\$0	\$0
	Western Springs Park District	\$1,622,444	\$66,262	\$0	\$914,075	\$980,337	(\$642,107)
	Wheeling Park District	\$21,149,037	\$1,337,437	\$25,267	\$14,679,868	\$16,042,572	(\$5,106,465)
	Wilmette Park District	\$15,307,832	\$6,140,147	\$0	\$8,870,589	\$15,010,736	(\$297,096)
	Winnetka Park District	\$18,239,951	\$1,978,069	\$26,990	\$10,905,192	\$12,910,251	(\$5,329,700)
	Worth Park District	\$914,529	\$24,767	\$0	\$78,037	\$102,804	(\$811,725)
	<b>Total Park Districts</b>	<b>\$624,073,037</b>	<b>\$95,188,234</b>	<b>\$2,409,264</b>	<b>\$307,426,110</b>	<b>\$405,023,608</b>	<b>(\$219,049,429)</b>

**SANITARY DISTRICTS**

	Taxing District Name	Assets Available to Pay Bills	Unfunded Pension Benefits	Unfunded Retirees' Health Care Benefits	Other Liabilities	Bills	Financial Burden (Surplus)
	Addison Creek Conserv Dist	(\$71,797)	\$0	\$0	(\$71,797)	(\$71,797)	\$0
#N/A	Crawford Countryside Sanitary District Matteson	\$0	\$0	\$0	\$0	\$0	\$0
	Dupage Water Commission	\$61,538,389	\$1,653,190	\$78,076	\$69,733,111	\$71,464,377	\$9,925,988

	<b>Elmhurst</b>						
#N/A	<b>Forest River Sanitary</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Fox River Water Reclamation District Elgin</b>	<b>\$120,739,862</b>	<b>\$4,973,640</b>	<b>\$12,523,754</b>	<b>\$80,317,403</b>	<b>\$97,814,797</b>	<b>(\$22,925,065)</b>
	<b>Garden Homes Sanitary Dist.</b>	<b>\$82,509</b>	<b>\$0</b>	<b>\$0</b>	<b>\$19,102</b>	<b>\$19,102</b>	<b>(\$63,407)</b>
	<b>Glenbrook Sanitary Dist</b>	<b>\$390,466</b>	<b>\$0</b>	<b>\$0</b>	<b>\$64,135</b>	<b>\$64,135</b>	<b>(\$326,331)</b>
	<b>Kimberly Heights Sanitary District Tinley Park</b>	<b>\$170,861</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,775</b>	<b>\$13,775</b>	<b>(\$157,086)</b>
	<b>La Grange Highlands Sanitary District</b>	<b>\$2,348,677</b>	<b>\$173,662</b>	<b>\$0</b>	<b>\$590,058</b>	<b>\$763,720</b>	<b>(\$1,584,957)</b>
	<b>Mission Brk Sanitary Dist (Northbrook)</b>	<b>\$2,260,963</b>	<b>\$0</b>	<b>\$0</b>	<b>\$256,244</b>	<b>\$256,244</b>	<b>(\$2,004,719)</b>
	<b>Northfield Woods Sanitary District Glenview</b>	<b>\$556,171</b>	<b>\$0</b>	<b>\$0</b>	<b>\$355,282</b>	<b>\$355,282</b>	<b>(\$200,889)</b>
	<b>Oak Meadow Sanitary Dist</b>	<b>\$499,893</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$499,893)</b>
	<b>Old Town Sanitary District</b>	<b>\$197,491</b>	<b>\$392,906</b>	<b>\$0</b>	<b>(\$991)</b>	<b>\$391,915</b>	<b>\$194,424</b>
#N/A	<b>Plum Grove Estates Sanitary District Rolling Meadows</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Plum Grove Woodlands Sanitary District Palatine</b>	<b>\$27,967</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,967</b>	<b>\$27,967</b>	<b>\$0</b>
	<b>South Lyons Township Sanitary District Countryside</b>	<b>\$2,761,665</b>	<b>\$0</b>	<b>\$0</b>	<b>\$882,850</b>	<b>\$882,850</b>	<b>(\$1,878,815)</b>
#N/A	<b>South Palos Township Sanitary District Palos Park</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>South Stickney Sanitary District</b>	<b>\$1,190,953</b>	<b>\$734,805</b>	<b>\$0</b>	<b>(\$1,644,027)</b>	<b>(\$909,222)</b>	<b>(\$2,100,175)</b>
	<b>Thorn Creek Basin Sanitary District Chicago Heights</b>	<b>\$12,349,701</b>	<b>\$1,446,622</b>	<b>\$220,542</b>	<b>\$734,709</b>	<b>\$2,401,873</b>	<b>(\$9,947,828)</b>
#N/A	<b>Union Drainage District No. 1 Chicago</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
#N/A	<b>Woodley Road Sanitary District Winnetka</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Total Sanitary Districts</b>	<b>\$205,043,771</b>	<b>\$9,374,824</b>	<b>\$12,822,372</b>	<b>\$151,277,821</b>	<b>\$173,475,017</b>	<b>(\$31,568,754)</b>

**SPECIAL DISTRICTS**

	<b>Taxing District Name</b>	<b>Assets Available to Pay Bills</b>	<b>Unfunded Pension Benefits</b>	<b>Unfunded Retirees' Health Care Benefits</b>	<b>Other Liabilities</b>	<b>Bills</b>	<b>Financial Burden (Surplus)</b>
	Des Plaines Valley Mosquito District	\$2,783,864	\$37,818	\$365,816	\$1,306,594	\$1,710,228	(\$1,073,636)
	Forest Riv St.Light Dist (Mt Prospect)	\$627	\$0	\$0	\$627	\$627	\$0
	North Shore Mosquito Abatement District	\$3,512,928	(\$99,630)	\$173,825	\$1,507,963	\$1,582,158	(\$1,930,770)
	Northwest Mosquito Abatement District Wheeling	\$4,370,123	\$598,074	\$33,678	\$2,678,667	\$3,310,419	(\$1,059,704)
#N/A	Norwood Park Street Lighting Norwood Park	\$0	\$0	\$0	\$0	\$0	\$0
	S Cook Mosquito Abatement Harvey	\$2,577,923	\$843,933	\$0	\$1,609,622	\$2,453,555	(\$124,368)
	<b>Total Special Districts</b>	<b>\$13,245,465</b>	<b>\$1,380,195</b>	<b>\$573,319</b>	<b>\$7,103,473</b>	<b>\$9,056,987</b>	<b>(\$4,188,478)</b>

**TOWNSHIPS**

	<b>Taxing District Name</b>	<b>Assets Available to Pay Bills</b>	<b>Unfunded Pension Benefits</b>	<b>Unfunded Retirees' Health Care Benefits</b>	<b>Other Liabilities</b>	<b>Bills</b>	<b>Financial Burden (Surplus)</b>
	Town of Barrington	\$301,421	(\$73,995)	\$0	\$0	(\$73,995)	(\$375,416)
	Town of Berwyn	\$1,506,022	\$529,846	\$0	\$12,576	\$542,422	(\$963,600)
	Town of Bloom	\$7,618,056	\$525,965	\$0	\$2,008,196	\$2,534,161	(\$5,083,895)
	Town of Bremen	\$3,360,903	(\$670,191)	\$0	\$1,920,772	\$1,250,581	(\$2,110,322)
	Town of Calumet	\$1,535,750	\$836,152	\$0	\$925,625	\$1,761,777	\$226,027
	Town of Cicero	\$88,415,258	\$106,131,365	\$61,565,243	\$42,225,631	\$209,922,239	\$121,506,981
	Town of Elk Grove	\$1,723,840	\$543,529	\$0	\$45,485	\$589,014	(\$1,134,826)
	Town of Evanston	\$1,050,470	(\$25,092)	\$0	\$747,641	\$722,549	(\$327,921)
	Town of Hanover	\$7,421,354	\$1,080,346	\$0	\$5,699,246	\$6,779,592	(\$641,762)
	Town of Lemont	\$3,402,512	\$329,656	\$0	\$1,114,826	\$1,444,482	(\$1,958,030)
	Town of Leyden	\$8,990,173	\$2,287,228	\$524,108	\$4,300,441	\$7,111,777	(\$1,878,396)
	Town of Lyons	\$19,321,206	\$625,544	\$0	\$14,434,003	\$15,059,547	(\$4,261,659)
	Town of Maine	\$10,981,542	\$1,916,797	\$0	\$7,689,638	\$9,606,435	(\$1,375,107)

	<b>Town of New Trier</b>	<b>\$4,079,200</b>	\$402,281	\$0	\$2,106,547	<b>\$2,508,828</b>	<b>(\$1,570,372)</b>
	<b>Town of Niles</b>	<b>\$1,186,433</b>	\$133,797	\$0	(\$847,552)	<b>(\$713,755)</b>	<b>(\$1,900,188)</b>
	<b>Town of Norwood Park</b>	<b>\$1,556,812</b>	\$4,008	\$0	\$5,502	<b>\$9,510</b>	<b>(\$1,547,302)</b>
	<b>Town of Nothfield</b>	<b>\$6,597,490</b>	\$0	\$0	\$3,158,544	<b>\$3,158,544</b>	<b>(\$3,438,946)</b>
	<b>Town of Oak Park</b>	<b>\$7,094,157</b>	\$422,822	\$27,621	\$4,305,389	<b>\$4,755,832</b>	<b>(\$2,338,325)</b>
	<b>Town of Orland</b>	<b>\$5,255,126</b>	\$196,715	\$0	\$1,823,456	<b>\$2,020,171</b>	<b>(\$3,234,955)</b>
	<b>Town of Palatine</b>	<b>\$6,435,773</b>	\$783,322	\$263,343	\$3,587,743	<b>\$4,634,408</b>	<b>(\$1,801,365)</b>
	<b>Town of Palos</b>	<b>\$1,583,039</b>	\$432,329	\$0	\$714,891	<b>\$1,147,220</b>	<b>(\$435,819)</b>
	<b>Town of Proviso</b>	<b>\$14,021,148</b>	\$305,342	\$0	\$3,925,163	<b>\$4,230,505</b>	<b>(\$9,790,643)</b>
	<b>Town of Schaumburg</b>	<b>\$9,479,725</b>	\$1,034,502	\$0	\$5,842,882	<b>\$6,877,384</b>	<b>(\$2,602,341)</b>
	<b>Town of Stickney</b>	<b>\$16,620,157</b>	\$2,197,631	\$0	\$4,572,844	<b>\$6,770,475</b>	<b>(\$9,849,682)</b>
	<b>Town of Thornton</b>	<b>\$26,728,330</b>	\$2,015,286	\$217,787	\$12,745,460	<b>\$14,978,533</b>	<b>(\$11,749,797)</b>
	<b>Town of Wheeling</b>	<b>\$8,789,607</b>	\$362,744	\$6,017	\$2,992,236	<b>\$3,360,997</b>	<b>(\$5,428,610)</b>
	<b>Town of Worth</b>	<b>\$5,429,386</b>	\$375,071	\$0	\$3,115,211	<b>\$3,490,282</b>	<b>(\$1,939,104)</b>
	<b>Town Rich</b>	<b>\$7,501,162</b>	\$1,305,318	\$0	\$694,860	<b>\$2,000,178</b>	<b>(\$5,500,984)</b>
	<b>Town River Forest</b>	<b>\$957,071</b>	\$44,099	\$0	\$368,549	<b>\$412,648</b>	<b>(\$544,423)</b>
	<b>Town Riverside</b>	<b>\$1,526,957</b>	\$13,796	\$0	\$17,673	<b>\$31,469</b>	<b>(\$1,495,488)</b>
	<b>Total Townships</b>	<b>\$280,470,080</b>	\$124,066,215	\$62,604,119	\$130,253,478	<b>\$316,923,812</b>	<b>\$36,453,732</b>

**#N/A = Data Not Available** As of June 30, 2012 the entity's financial report had been not submitted to Cook County Treasurer and could not be found on the web, or the data provided was inadequate.

**Appendix 2.**  
**20 Worst Taxing Districts in Cook County**

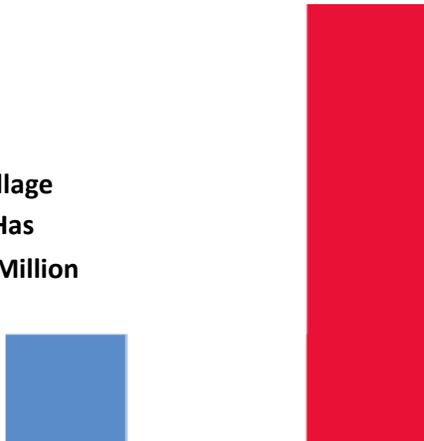
## The Financial State of the Village of McCook

As of December 31, 2011

To Fill McCook's Financial Hole Each Household Would Have To Pay \$316,671

The Village Owes \$43.5 Million

The Village Only Has \$10.9 Million



McCook Has Only \$10.9 Million of Assets Available to Pay \$43.5 Million of Bills.

The Village of McCook Has A \$32.6 Million Shortfall.

Provided by:



One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the Village's budget processes and financial reporting. As a result of lack of accurate information the citizens of McCook were uninformed as the Village has accumulated a debt of \$32.6 million. Each taxpayer's share of this financial burden is \$316,671.

Taxing District	Each Household's Burden (Surplus)
<b>Village of McCook</b>	<b>\$316,671</b>
Mc Cook Park District	\$745
Mc Cook Public Library District	(\$5,952)
School District 103 Lyons	(\$583)
Berwyn Cicero Stickney High School 201	\$1,449
Town of Lyons	(\$104)
Des Plaines Valley Mosquito District	(\$8)
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$315,897</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$933,338</b>

McCook residents are among the most indebted in the country. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-taxpayer burden of \$586,505 for the federal government, each McCook household faces a total tax burden of \$933,338. Because this is the amount needed to pay for promises made by governments of the past, McCook residents will be burdened with paying \$933,338 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in McCook. Data for this analysis is derived from the Village of McCook's December 31, 2011 audited Comprehensive Annual Financial Report.*

McCook's Retirement Plans Are Significantly Underfunded	Assets	Liabilities	Unfunded Liability	Funding Ratio	Unfunded Liability As a % of Payroll
Illinois Municipal Fund	\$2,872,066	\$2,509,232	(\$362,834)	114.5%	--
Sheriff's Law Enforcement Personnel	\$74,522	\$68,587	(\$5,935)	108.7%	--
Police Pension Plan	\$7,399,275	\$12,958,917	\$5,559,642	57.1%	465%
Firefighters' Pension Plan	\$298,426	\$888,310	\$589,884	33.6%	651%
Pension Plans	\$10,644,289	\$16,425,046	\$5,780,757	64.8%	
Retirees' Health Care Plan	\$0	\$9,536,145	\$9,536,145	0.0%	256%
<b>Total</b>	<b>\$10,644,289</b>	<b>\$25,961,191</b>	<b>\$15,316,902</b>	<b>41.0%</b>	

McCook has promised its employees \$26 million of pension and retirees' health care benefits. However only \$10.6 million has been set aside to fund these benefits. This means the Village has less than 42 cents to pay for each dollar of promised benefits.

McCook unfunded liabilities as a percentage of payrolls are alarming. The amount promised to the Police Pension Plan approximates 465 percent of the police department's payroll. In other words to pay off this plan's unfunded liability McCook would have to stopping paying all police department employees for more than 4 years diverting all of the savings to the pension plan to make up for the shortfall.

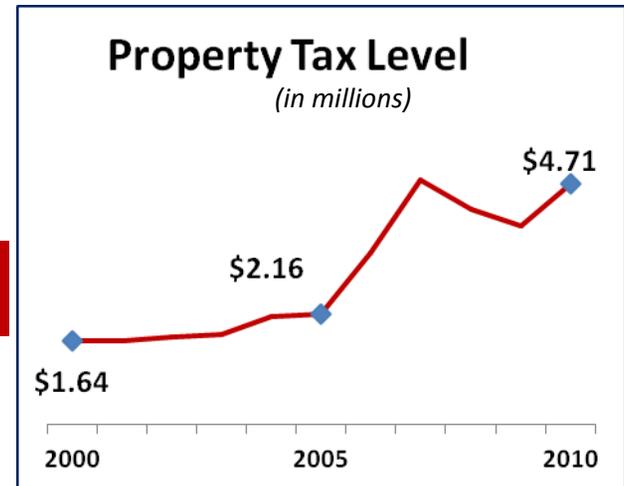
Similarly, the firefighter department payroll would have to be diverted to its pension plan for more than 6 years.

McCook also provides employees with health care benefits in retirement. To eliminate this plan's unfunded liability, payroll would have to be diverted to the health care plan for more than 2 years.

**Village's Tax Levy Increase (2000-2010): 186%**

As employee retirement benefits liabilities have accrued, McCook's property tax levy has also increased substantially. The property tax levy has increased by 186% since 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, McCook's revenue includes sales taxes, other taxes and investment income. The Village would have to devote all of its general revenue for more than 4 years to cover McCook's \$32.6 million shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012

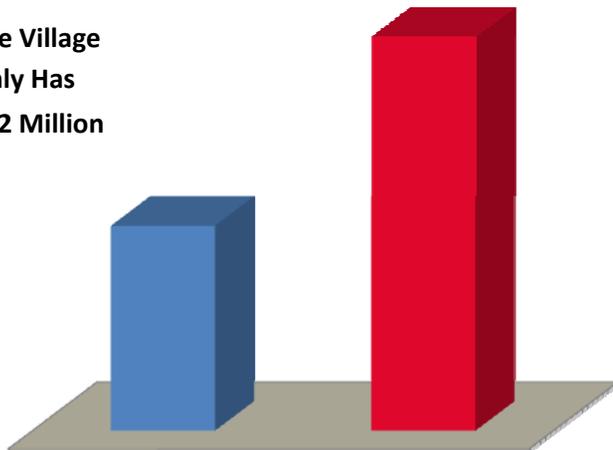
# The Financial State of the Village of Bedford Park

As of December 31, 2010

To Fill Bedford Park's Financial Hole Each Household Would Have To Pay \$259,320

The Village Owes \$119 Million

The Village Only Has \$62 Million



Bedford Park Has Only \$62 Million of Assets Available to Pay \$119 Million of Bills.

The Village of Bedford Park Has A \$57 Million Shortfall.

Provided by:



One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the Village's budget processes and financial reporting. As a result of lack of accurate information the citizens of Bedford Park were uninformed as the Village has accumulated a debt of \$57 million. Each household's share of this financial burden is \$259,320.

Taxing District	Each Household's Burden (Surplus)
<b>Village of Bedford Park</b>	<b>\$259,320</b>
Bedford Park Park District	\$24
Bedford Park Public Library Dist	(\$239)
Broadview Public Library Dist	(\$840)
High School District 217 Summit	(\$1,580)
School District 104 Summit	\$968
Town of Lyons	(\$104)
Des Plaines Valley Mosquito District	(\$8)
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$261,220</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$878,661</b>

Bedford Park residents are among the most indebted in the country. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-household burden of \$586,505 for the federal government, each Bedford Park household faces a total tax burden of \$878,661. Because this is the amount needed to pay for promises made by governments of the past, Bedford Park residents will be burdened with paying \$878,661 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in Bedford Park. Data for this analysis is derived from the Village of Bedford Park's December 31, 2010 audited Comprehensive Annual Financial Report.*

<b>Bedford Park's Retirement Plans Are Significantly Underfunded</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Unfunded Liability</b>	<b>Funding Ratio</b>	<b>Unfunded Liability As a % of Payroll</b>
<b>Illinois Municipal Fund</b>	<b>\$23,094,342</b>	<b>\$34,122,286</b>	<b>\$11,027,944</b>	<b>67.7%</b>	<b>102%</b>
<b>Retirees' Health Care Plan</b>	<b>\$0</b>	<b>\$22,212,207</b>	<b>\$22,212,207</b>	<b>0.0%</b>	<b>241%</b>
<b>Total</b>	<b>\$23,094,342</b>	<b>\$56,334,493</b>	<b>\$33,240,151</b>	<b>41.0%</b>	

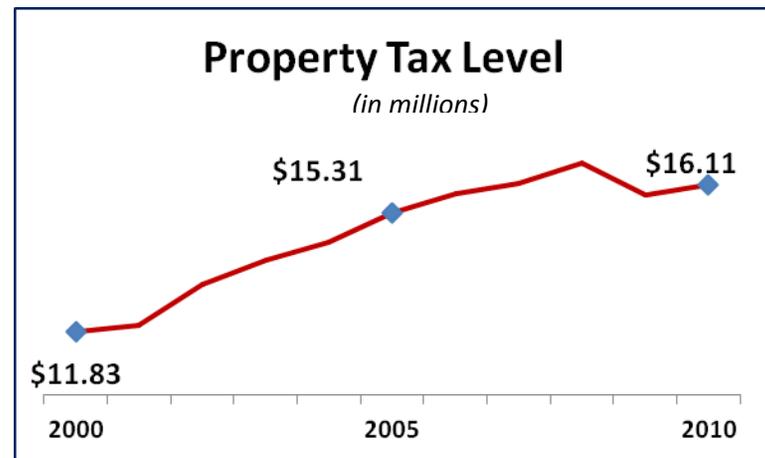
Bedford Park has promised its employees \$56.3 million of pension and retirees' health care benefits. However only \$23.1 million has been set aside to fund these benefits. This means the Village has 41 cents to pay for each dollar of promised benefits.

Bedford Park unfunded retirees' health care benefits liabilities as a percentage of payrolls are alarming. The amount promised approximates 241 percent of the employees' entire payroll. In other words to pay off this plan's unfunded liability Bedford Park would have to stopping paying all its employees for more than 2 years diverting all of the savings to the pension plan to make up for the shortfall.

**Village's Tax Levy Increase (2000-2010): 36%**

As employee retirement benefits liabilities have accrued, Bedford Park's property tax levy has also increased substantially. The property tax levy has increased by 36% since 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, Bedford Park's revenue includes sales taxes, other taxes and investment income. The Village would have to devote all of its general revenue for more than 2 years to cover Bedford Park's \$57 million shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012

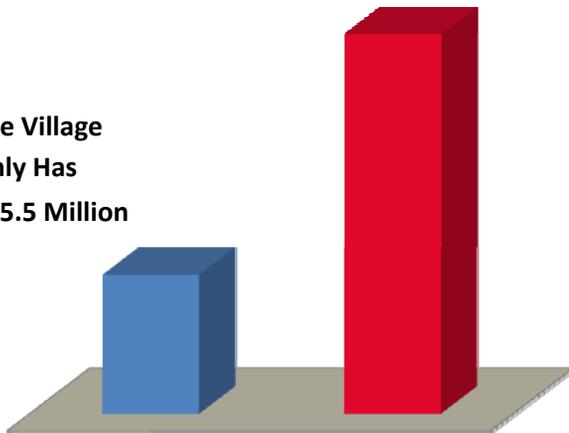
## The Financial State of the Village of Rosemont

As of December 31, 2011

To Fill Rosemont's Financial Hole Each Household Would Have To Pay \$90,468

The Village Owes \$234.9 Million

The Village Only Has \$85.5 Million



Rosemont Has Only \$85.5 Million of Assets Available to Pay \$234.9 Million of Bills.

The Village of Rosemont Has A \$149.4 Million Shortfall.

Provided by:



One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the Village's budget processes and financial reporting. As a result of lack of accurate information the citizens of Rosemont were uninformed as the Village has accumulated a debt of \$149.4 million. Each taxpayer's share of this financial burden is \$90,468.

Taxing District	Each Household's Burden (Surplus)
<b>Village of Rosemont</b>	<b>\$90,468</b>
Rosemont Park District	\$215
Maine Township High School 207 Park Ridge	(\$636)
School District 78 Rosemont	(\$582)
Town of Maine	(\$27)
Northwest Mosquito Abatement District Wheeling	(\$4)
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$93,113</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$710,554</b>

Rosemont residents are among the most indebted in the county. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-household burden of \$586,505 for the federal government, each Rosemont household faces a total tax burden of \$710,554. Because this is the amount needed to pay for promises made by governments of the past, Rosemont residents will be burdened with paying \$710,554 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in Rosemont. Data for this analysis is derived from the Village of Rosemont's December 31, 2011 audited Comprehensive Annual Financial Report.*

Rosemont's Retirement Plans Are Significantly Underfunded	Assets	Liabilities	Unfunded Liability	Funding Ratio	Unfunded Liability As a % of Payroll
Illinois Municipal Fund	\$17,532,668	\$23,209,077	\$5,676,409	75.5%	63%
Public Safety Officers' Pension Fund	\$50,899,020	\$72,395,256	\$21,496,236	70.3%	338%
Pension Plans	\$68,431,688	\$95,604,333	\$27,172,645	71.6%	
Retirees' Health Care Plan	\$0	\$47,667,913	\$47,667,913	0.0%	300%
<b>Total</b>	<b>\$68,431,688</b>	<b>\$143,272,246</b>	<b>\$74,840,558</b>	<b>47.8%</b>	

Rosemont has promised its employees \$143.3 million of pension and retirees' health care benefits. However only \$68.4 million has been set aside to fund these benefits. This means the Village has less than 48 cents to pay for each dollar of promised benefits.

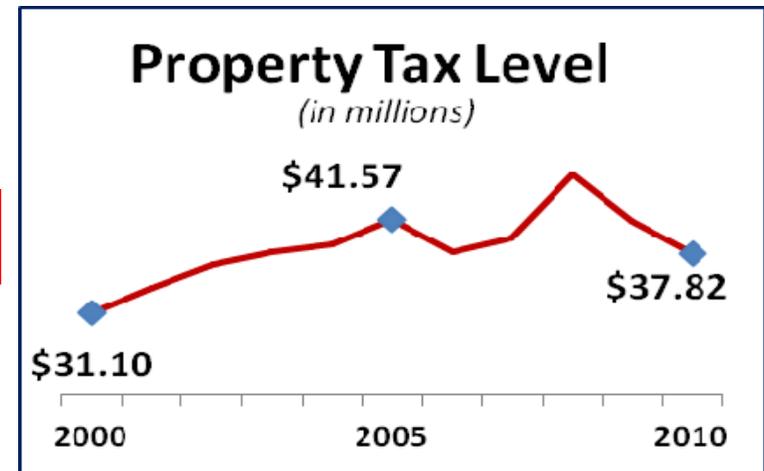
Rosemont unfunded liabilities as a percentage of payrolls are alarming. The amount promised to the Public Safety Officers' Pension Fund approximates 338 percent of the public safety officers department's payroll. In other words to pay off this plan's unfunded liability Rosemont would have to stop paying all public safety department employees for more than 3 years diverting all of the savings to the pension plan to make up for the shortfall.

Rosemont also provides employees with health care benefits in retirement. To eliminate this plan's unfunded liability, payroll would have to be diverted to the health care plan for more than 3 years.

**Village's Tax Levy Increase (2000-2010): 22%**

As employee retirement benefits liabilities have accrued, Rosemont's property tax levy has also increased. The property tax levy has increased by 22% since 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, Rosemont's revenue includes sales taxes, other taxes and investment income. The Village would have to devote all of its general revenue for more than 2 years to cover Rosemont's \$149.4 million shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012

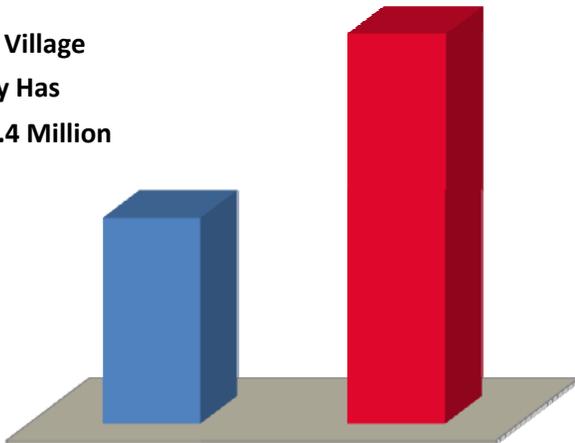
## The Financial State of the Village of Hodgkins

As of December 31, 2010

To Fill Hodgkins' Financial Hole Each Household Would Have To Pay \$22,990

The Village Owes \$34.9 Million

The Village Only Has \$18.4 Million



Hodgkins Has Only \$18.4 Million of Assets Available to Pay \$34.9 Million of Bills.

The Village of Hodgkins Has A \$16.5 Million Shortfall.

Provided by:



One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the Village's budget processes and financial reporting. As a result of lack of accurate information the citizens of Hodgkins were uninformed as the Village has accumulated a debt of \$16.5 million. Each household's share of this financial burden is \$22,990.

Taxing District	Each Household's Burden (Surplus)
<b>Village of Hodgkins</b>	<b>\$22,990</b>
Hodgkins Park District	\$433
Hodgkins Public Library District	(\$179)
School District 105 Lagrange	(\$1,704)
Lyons Town High School 204	(\$769)
Pleasant View Fire District	\$1,818
Town of Lyons	(\$104)
Des Plaines Valley Mosquito District	(\$8)
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$26,156</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$643,597</b>

Hodgkins residents are among the most indebted in the county. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-household burden of \$586,505 for the federal government, each Hodgkins household faces a total tax burden of \$643,597. Because this is the amount needed to pay for promises made by governments of the past, Hodgkins residents will be burdened with paying \$643,597 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in Hodgkins. Data for this analysis is derived from the Village of Hodgkins' December 31, 2010 audited Comprehensive Annual Financial Report.*

Hodgkins' Retirement Plans Are Significantly Underfunded	Assets	Liabilities	Unfunded Liability	Funding Ratio	Unfunded Liability As a % of Payroll
Illinois Municipal Fund	\$1,559,297	\$2,314,872	\$755,575	67.4%	71%
Police Pension Plan	\$7,013,015	\$11,506,722	\$4,493,707	60.9%	293%
Pension Plans	\$8,572,312	\$13,821,594	\$5,249,282	62.0%	
Retirees' Health Care Plan	\$0	\$360,873	\$360,873	0.0%	20%
<b>Total</b>	<b>\$8,572,312</b>	<b>\$14,182,467</b>	<b>\$5,610,155</b>	<b>60.4%</b>	

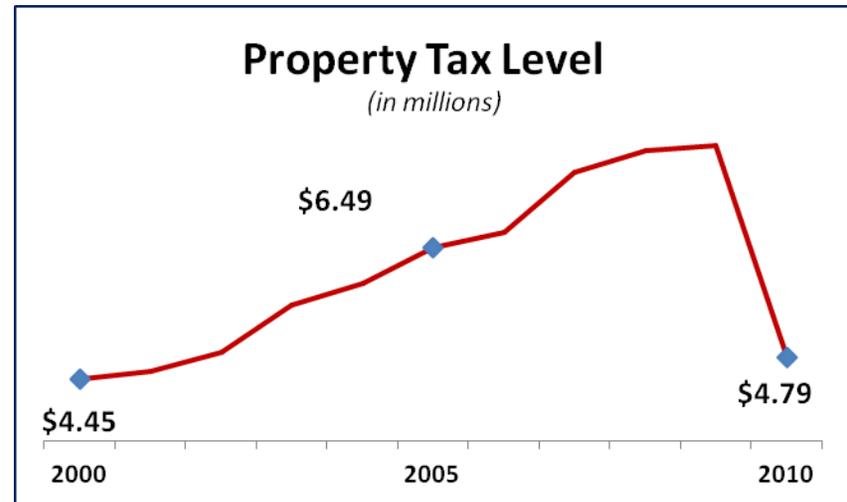
Hodgkins has promised its employees \$14.2 million of pension and retirees' health care benefits. However only \$8.6 million has been set aside to fund these benefits. This means the Village has less than 61 cents to pay for each dollar of promised benefits.

Hodgkins unfunded liabilities as a percentage of payrolls are alarming. The amount promised to the Police Pension Plan approximates 293 percent of the police department's payroll. In other words to pay off this plan's unfunded liability Hodgkins would have to stopping paying all police department employees for more than 2 years diverting all of the savings to the pension plan to make up for the shortfall.

### Village's Tax Levy Increase (2000-2010): 8%

As employee retirement benefits liabilities have accrued, Hodgkins' property tax levy has also increased. The property tax levy has increased by 8% since 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, Hodgkins' revenue includes sales taxes, other taxes and investment income. The Village would have to devote all of its general revenue for more than 1 years to cover Hodgkins' \$16.5 million shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012

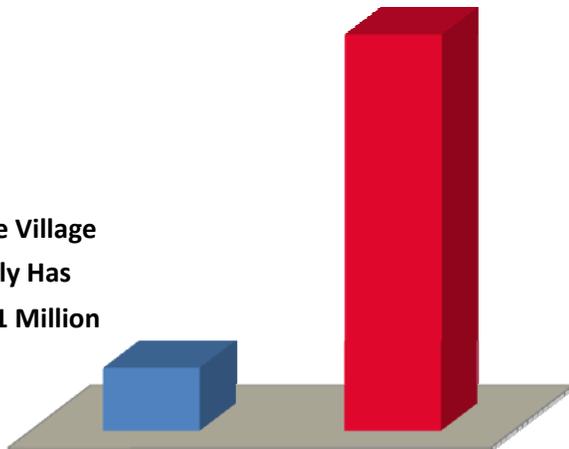
# The Financial State of the Village of Melrose Park

As of December 31, 2010

To Fill Melrose Park's Financial Hole Each Household Would Have To Pay \$19,352

The Village Owes \$196 Million

The Village Only Has \$31 Million



Melrose Park Has Only \$31 Million of Assets Available to Pay \$196 Million of Bills.

The Village of Melrose Park Has A \$165 Million Shortfall.



Provided by:

One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the Village's budget processes and financial reporting. As a result of lack of accurate information the citizens of Melrose Park were uninformed as the Village has accumulated a debt of \$165 million. Each household's share of this financial burden is \$19,352.

Taxing District	Each Household's Burden (Surplus)
<b>Village of Melrose Park</b>	<b>\$19,352</b>
Veterans Park District Melrose Park	(\$84)
School District 87 Berkeley	(\$1,361)
School District 83 Franklin Park	(\$2,047)
High School District 209	(\$58)
Town of Proviso	(\$178)
Des Plaines Valley Mosquito District	(\$8)
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$19,295</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$636,736</b>

Melrose Park residents are among the most indebted in the county. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-household burden of \$586,505 for the federal government, each Melrose Park household faces a total tax burden of \$636,736. Because this is the amount needed to pay for promises made by governments of the past, Melrose Park residents will be burdened with paying \$636,736 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in Melrose Park. Data for this analysis is derived from the Village of Melrose Park's December 31, 2010 audited Comprehensive Annual Financial Report.*

Melrose Park's Retirement Plans Are Significantly Underfunded	Assets	Liabilities	Unfunded Liability	Funding Ratio	Unfunded Liability As a % of Payroll
Illinois Municipal Fund	\$8,832,642	\$12,717,463	\$3,884,821	69.5%	70%
Police Pension Plan	\$20,655,065	\$57,363,205	\$36,708,140	36.0%	734%
Firefighters' Pension Plan	\$21,186,947	\$61,653,997	\$40,467,050	34.4%	968%
Pension Plans	\$50,674,654	\$131,734,665	\$81,060,011	38.5%	
Retirees' Health Care Plan	\$0	\$36,450,815	\$36,450,815	0.0%	223%
<b>Total</b>	<b>\$50,674,654</b>	<b>\$168,185,480</b>	<b>\$117,510,826</b>	<b>30.1%</b>	

Melrose Park has promised its employees \$168.2 million of pension and retirees' health care benefits. However only \$50.7 million has been set aside to fund these benefits. This means the Village has less than 31 cents to pay for each dollar of promised benefits.

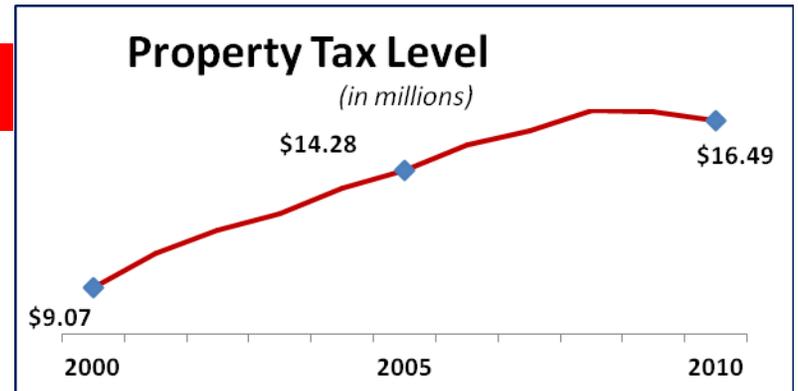
Melrose Park unfunded liabilities as a percentage of payrolls are alarming. For example, the amount promised to the Firefighters' Pension Plan approximates 968 percent of the police department's payroll. In other words to pay off this plan's unfunded liability Melrose Park would have to stop paying all firefighters for more than 9 years diverting all of the savings to the pension plan to make up for the shortfall.

Melrose Park also provides employees with health care benefits in retirement. To eliminate this plan's unfunded liability, payroll would have to be diverted to the health care plan for more than 2 years.

**Village's Tax Levy Increase (2000-2010): 82%**

As employee retirement benefits liabilities have accrued, Melrose Park's property tax levy has also increased substantially. The property tax levy has increased by 82% since 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, Melrose Park's revenue includes sales taxes, other taxes and investment income. The Village would have to devote all of its general revenue for more than 5 years to cover Melrose Park's \$165 million shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012

[www.truthinaccounting.org](http://www.truthinaccounting.org)

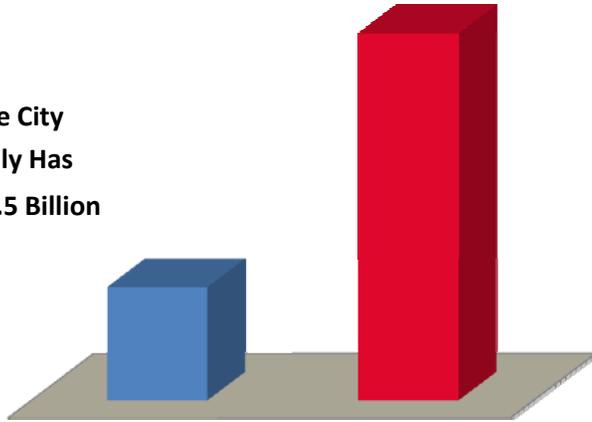
# The Financial State of the City of Chicago

As of December 31, 2011

To Fill Chicago's Financial Hole Each Household Would Have To Pay \$18,202

The City Owes \$27.6 Billion

The City Only Has \$8.5 Billion



Chicago Has Only \$8.5 Billion of Assets Available to Pay \$27.6 Billion of Bills.

The City of Chicago Has A \$19.1 Billion Shortfall



Provided by:

One of the reasons this large shortfall has accumulated is the lack of truth and transparency in the City's budget processes and financial reporting. As a result of lack of accurate information the citizens of Chicago were uninformed as the City has accumulated a debt of \$19.1 billion. Each household's share of this financial burden is \$18,202.

Taxing District	Each Household's Burden (Surplus)
<b>City of Chicago</b>	\$18,202
Board of Education Chicago	\$6,665
Chicago Park District	\$22
Chicago Community College District	\$30
Central Stickney Sanitary District	(\$1)
Northwest Home Equity Assurance	(\$9)
Southwest Home Equity Assurance 1	(\$11)
Southwest Guaranteed Home Equity Program	-
Metro Water Reclamation District of Greater Chicago	\$616
County of Cook	\$3,060
Forest Preserve District of Cook County	\$3
<b>Each Household's Burden for Cook County Taxing Districts</b>	<b>\$28,577</b>
State of Illinois' Each Household's Burden	\$30,936
Federal Government's Each Household's Burden	\$586,505
<b>Total Each Household's Burden</b>	<b>\$646,018</b>

Chicago residents are among the most indebted in the country. Combined with a per-household burden of \$30,936 for the State of Illinois and a per-household burden of \$586,505 for the federal government, each Chicago household faces a total tax burden of \$646,018. Because this is the amount needed to pay for promises made by governments of the past, Chicago residents will be burdened with paying \$646,018 in taxes without receiving any additional services or benefits.

*Note: These calculations do not include restricted assets, capital assets and related debt. The number of taxpayers is based on the number of households in Chicago. Data for this analysis is derived from the City of Chicago's December 31, 2011 audited Comprehensive Annual Financial Report.*

Chicago's Retirement Plans Are Significantly Underfunded	Assets	Liabilities	Unfunded Liability	Funding Ratio	Unfunded Liability As a % of Payroll
Municipal Employees	\$5,552,291,000	\$12,292,930,000	\$6,740,639,000	45.2%	420%
Laborers' and Retirement Board Employees	\$1,422,414,000	\$2,152,854,000	\$730,440,000	66.1%	374%
Policemen's Pension	\$3,444,690,000	\$9,522,395,000	\$6,077,705,000	36.2%	588%
Firemen's Annuity and Benefit Funds	\$1,101,742,000	\$3,851,919,000	\$2,750,177,000	28.6%	647%
Pension Plans	\$11,521,137,000	\$27,820,098,000	\$16,298,961,000	41.4%	
Retirees' Health Care Plan	\$0	\$805,116,000	\$805,116,000	0.0%	10%
<b>Total</b>	<b>\$11,521,137,000</b>	<b>\$28,625,214,000</b>	<b>\$17,104,077,000</b>	<b>40.2%</b>	

Chicago has promised its employees \$28.6 billion of pension and retirees' health care benefits. However only \$11.5 billion has been set aside to fund these benefits. This means the City has less than 41 cents to pay for each dollar of promised benefits.

Chicago unfunded liabilities as a percentage of payrolls are alarming. For example the amount promised to the Policemen's Pension Plan approximates 588 percent of the municipal employees' payroll. In other words to pay off this plan's unfunded liability Chicago would have to stop paying all municipal workers for more than 5 years diverting all of the savings to the pension plan to make up for the shortfall.

Similarly, the firefighter department payroll would have to be diverted to its pension plan for more than 6 years.

**City's Tax Levy Increase (2000-2010): 81%**

As employee retirement benefits liabilities have accrued, Chicago's property tax levy has also increased substantially. Property taxes have increased by 81% since the year 2000. Unless retirees' pension and health care benefits are renegotiated or government services are cut, taxes will likely have to increase further to cover these benefits as they come due.

In addition to property taxes, Chicago's revenue includes fees; sales and other taxes; and investment income. The City would have to devote all of its general revenue for more than 5 years to cover Chicago's \$19.1 billion shortfall.



Source: Heartland Institute, "Property Tax Levies in Cook County, Illinois: An Analysis", March 12, 2012