Bond Case Briefs

Municipal Finance Law Since 1971

Pensions Case Study: North Riverside.

Illinois' municipal pension shortfall, excluding Chicago, has spiked to more than $12 billion from $1 billion just a decade ago. Municipalities are suffering the consequences. They're cutting core services, raising taxes and adding new fees to pay for their increasing government-worker pension costs.

The problem is local governments have their hands tied when it comes to pension reform. The Illinois state legislature sets municipal pension laws with no regard to whether the local budget and taxpayers can afford them.

But the village of North Riverside found a way to get around the General Assembly's road block to pension reform. North Riverside plans to move its entire fire department to a private provider of fire protection services – a private provider with a 401(k)-style retirement plan. The village plans to transfer its 12 firefighters and four lieutenants – and their full salaries – to the same private company that's been providing the village's ambulance service for nearly 30 years.

Continue Reading.

ILLINOIS POLICY

BENJAMIN VANMETRE

NOVEMBER 11, 2014

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com