

Cook taxpayers owe \$108 billion, county Treasurer Pappas says: Greg Hinz

By: Greg Hinz June 21, 2011

The average Chicago household now owes a staggering \$63,525 to cover local government debt, according to Cook County Treasurer Maria Pappas.

Suburbanites are deeply in the red, too, with the average household owing \$32,901, according to the treasurer.

Among the biggest reasons: \$25 billion in unfunded pension liability.

In comments after an appearance Tuesday before The Civic Federation, a watchdog group that has released somewhat similar numbers in recent years, Ms. Pappas said she was "stunned" to learn that county taxpayers on the whole owe more than \$108 billion toward local debt.

The figures were derived from a recently passed debt disclosure law. Ms. Pappas said the numbers have never before been compiled in this fashion.

"This goes well beyond big cities," she said. "These fiscal problems permeate townships, villages, school districts, park districts, fire protection districts and more, and the taxpayers are on the hook."

Overall, she said, municipalities have \$61 billion in debt. And educational districts, \$20 billion. Cook County owes \$18 billion and various sanitary districts collectively owe \$4.4 billion.

In some ways the problem is actually worse than it appears. Ms. Pappas' report does not include totals from 55 of the county's 553 local units of government, which failed to report their debt figures to her.

On pensions, only one-quarter of the Cook County government units involved have at least 80% of the assets on hand needed to pay expected retirement plans for public employees, she said. Most financial watchdogs say 80% or even 90% is appropriate.

State lawmakers last year adopted changes that will reduce pension liabilities over time, but only for new employees. A bill that would reduce benefits or increase payments for current workers failed to pass in the spring legislative session but may come up this fall.

To check out the report, [click here](#).

(Editor's note: This report contains corrected information about the debt load and pension gap.)