

# COMMUNITIES IN CRISIS

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

**Bensenville**

**2019 Grade: F**

In 2003, Bensenville’s police, fire and municipal pension funds already faced a shortfall of **\$6.8 million**. That meant every Bensenville household, on average, was on the hook for **\$995** in future taxes just to eliminate that shortfall.

*Bensenville began contributing more money – taxpayer dollars – to pensions in an attempt to make the plans healthier. Over the next 16 years, city contributions increasingly crowded out spending for public safety, roads and other core services.*

	2003	2019	Change
City (taxpayer) contributions to pensions	\$0.51 million	\$2.69 million	Up 5.3X
Share of city general budget for pensions	3.4%	12.9%	Up 3.7X

*Despite the ramp-up in city payments over those 16 years, Bensenville’s pension debts didn’t decrease. Instead, they jumped by 6.6 times!*

By 2019, the shortfall in Bensenville’s police, fire and municipal pension funds totaled **\$44.9 million**. That means each Bensenville household, on average, is now on the hook for **\$6,852** in debt.

## Everyone loses under Bensenville’s pension crisis:



### Taxpayers are tapped out

Bensenville residents are paying more and more into a broken system. City taxpayers in 2019 contributed 5.3 times more to pensions than in 2003, yet city debts are 6.6 times larger.



### Pension costs are devouring the city’s budget

Bensenville pension contributions have grown to consume 12.9% of the city’s budget, up from 3.4% in 2003. That’s crowded out spending on public safety, roads and other core services.



### Bensenville worker retirement security is collapsing

The health of Bensenville’s local pension plans have worsened despite those increased taxpayer contributions. In 2003, the plans had 80.9% of the money they needed. By 2019, that had dropped to just 52.5%.



### Bensenville’s crisis will only get worse

Bensenville has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 2.03 active workers for every pensioner. By 2019, there were 0.95 active workers per pensioner.

2019 GRADE



2003 GRADE



# Bensenville receives an "F" grade for its local pension crisis

Local officials handcuffed by state pension mandates.

Wirepoints quantified the negative impact of local pensions by examining the finances of Illinois' 175 largest cities from 2003 to 2019. The analysis was based on ten equally-weighted metrics. Cities were given an A through F grade based on a 100-point scale (10 points per metric).\*

Bensenville received an "F" grade in 2019. The city's total score dropped from 79 in 2003 to 52 in 2019, a decline of 27 points.

Bensenville was one of 102 cities to receive an "F" grade in 2019.

Bensenville Key Facts		
<b>City demographics</b>	<b>2000</b>	<b>2019</b>
Population	20,703	18,281
Households	6,854	6,559
Median household income	\$54,662	\$62,756
<b>City budget</b>	<b>2003</b>	<b>2019</b>
General revenues	\$14,941,813	\$20,874,166
Total revenues	\$31,246,534	\$53,105,874
Total property taxes	\$6,212,372	\$9,385,168
<b>Pension health (police, fire &amp; IMRF)</b>	<b>2003</b>	<b>2019</b>
Total accrued liabilities (benefits owed)	\$35,691,248	\$94,693,512
Total pension assets	\$28,870,737	\$49,748,838
Funded ratio	80.9%	52.5%
Total pension shortfall	\$6,820,511	\$44,944,674
Per household	\$995	\$6,852
Active public safety workers	59	57
Public safety pension beneficiaries	29	60
<b>City pension contributions</b>	<b>2003</b>	<b>2019</b>
City contributions	\$514,563	\$2,688,016
Per household	\$75	\$410
Percentage of city's general budget	3.4%	12.9%
Employees' contributions	\$490,468	\$969,575

175 Cities - Summary Scores			
Grade	Score	Number of cities	
		2003	2019
A	≥90	4	0
B	80-89	35	1
C	70-79	81	8
D	60-69	48	64
F	≤59	7	102

Bensenville Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	77.8%	51.3%	7	5
2. Firefighter pension funded ratio	64.3%	32.6%	6	3
3. Municipal (IMRF) pension funded ratio	101.9%	89.8%	10	8
4. City pension debts per household as a percentage of median household income	1.8%	10.9%	9	5
5. City contributions per household as a percentage of median household income	0.14%	0.65%	9	7
6. City contributions as a percentage of total budget	1.6%	5.1%	10	6
7. Ratio of city contributions to employee contributions	1.05	2.77	9	6
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-64.0%	-30.6%	1	3
9. Asset-to-payout ratio (Police & Fire only)	15.3	8.3	8	5
10. Worker-to-beneficiary ratio (Police & Fire only)	2.03	0.95	10	4
<b>Total score</b>			<b>79</b>	<b>52</b>
<b>Grade</b>			<b>C</b>	<b>F</b>

\*Wirepoints analyzed 175 of Illinois' largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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