

# COMMUNITIES IN CRISIS

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

**Brookfield**

**2019 Grade: D**

In 2003, Brookfield’s police, fire and municipal pension funds already faced a shortfall of **\$13.2 million**. That meant every Brookfield household, on average, was on the hook for **\$1,762** in future taxes just to eliminate that shortfall.

*Brookfield 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	\$3.63 million	Up 7.1X
Share of city general budget for pensions	6.2%	20.9%	Up 3.4X

*Despite the ramp-up in city payments over those 16 years, Brookfield’s pension debts didn’t decrease. Instead, they jumped by 2.2 times!*

By 2019, the shortfall in Brookfield’s police, fire and municipal pension funds totaled **\$29.1 million**. That means each Brookfield household, on average, is now on the hook for **\$4,130** in debt.

## Everyone loses under Brookfield’s pension crisis:



### Taxpayers are tapped out

Brookfield residents are paying more and more into a broken system. City taxpayers in 2019 contributed 7.1 times more to pensions than in 2003, yet city debts are 2.2 times larger.



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

Brookfield pension contributions have grown to consume 20.9% of the city’s budget, up from 6.2% in 2003. That’s crowded out spending on public safety, roads and other core services.



### Brookfield worker retirement security is still at risk

The health of Brookfield’s local pension plans have stagnated despite increased taxpayer contributions. In 2003, the plans had 60.6% of the money they needed. By 2019, that had increased slightly to just 62.7%.



### Brookfield’s crisis will only get worse

Brookfield has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.55 active workers for every pensioner. By 2019, there were 1.08 active workers per pensioner.

2019 GRADE



2003 GRADE



# Brookfield receives a "D" 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).\*

Brookfield received a "D" grade in 2019. The city's total score dropped from 69 in 2003 to 62 in 2019, a decline of 7 points.

Brookfield was one of 64 cities to receive a "D" grade in 2019.

Brookfield Key Facts		
<b>City demographics</b>	<b>2000</b>	<b>2019</b>
Population	19,085	18,735
Households	7,481	7,038
Median household income	\$52,636	\$82,435
<b>City budget</b>	<b>2003</b>	<b>2019</b>
General revenues	\$8,128,726	\$17,316,339
Total revenues	\$17,113,078	\$42,304,794
Total property taxes	\$4,160,842	\$12,902,419
<b>Pension health (police, fire &amp; IMRF)</b>	<b>2003</b>	<b>2019</b>
Total accrued liabilities (benefits owed)	\$33,486,308	\$77,826,519
Total pension assets	\$20,305,814	\$48,758,553
Funded ratio	60.6%	62.7%
Total pension shortfall	\$13,180,494	\$29,067,966
Per household	\$1,762	\$4,130
Active public safety workers	51	53
Public safety pension beneficiaries	33	49
<b>City pension contributions</b>	<b>2003</b>	<b>2019</b>
City contributions	\$505,601	\$3,627,614
Per household	\$68	\$515
Percentage of city's general budget	6.2%	20.9%
Employees' contributions	\$394,291	\$653,289

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

Brookfield Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	48.5%	51.0%	4	5
2. Firefighter pension funded ratio	62.7%	69.0%	6	6
3. Municipal (IMRF) pension funded ratio	94.2%	92.2%	9	9
4. City pension debts per household as a percentage of median household income	3.3%	5.0%	8	7
5. City contributions per household as a percentage of median household income	0.13%	0.63%	9	7
6. City contributions as a percentage of total budget	3.0%	8.6%	8	3
7. Ratio of city contributions to employee contributions	1.28	5.55	9	3
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-84.5%	24.9%	1	10
9. Asset-to-payout ratio (Police & Fire only)	15.5	13.6	8	7
10. Worker-to-beneficiary ratio (Police & Fire only)	1.55	1.08	7	5
<b>Total score</b>			69	62
<b>Grade</b>			D	D

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

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